

Minutes of the Redevelopment Agency of Murray City held Monday May 15 and Tuesday, May 16, 2006 in the Murray City Council Chambers, 5025 South State Street, Murray, Utah.

Attendance

Jim Brass	SPPRE	Edward Probyn James
Robbie Robertson	John Stainback	
Krista Dunn	Jim Cooper	Karen Wikstrom
Pat Griffiths		
Mayor Dan Snarr	PSOMAS	EDT
Shannon Jacobs	Gerard Tully	Soren Simonsen
Jan Wells	Scott D. Roche	Jay Bollwinkel
Frank Nakamura	Marilee A. Utter	Bob Springmeyer
Keith Snarr	Timothy C. Van Meter	Brent Herridge
Josh Yost	David Ross Scheer	
Michael Brodsky	Brenda Case Scheer	
Jim Paraskeva	Jon Nepstad	
	Jodi Hoffman	

1. Interviews for consultant for the Fireclay Redevelopment Project Area

Jim Brass

We apologize for the lengthy delay. We'll get started, we do expect one more council member, at least one more to show up, but we're going to move on. We have a quorum. Welcome to the RDA Meeting for Tuesday, May 15, 2:00 pm to do interviews for the consultant we requested, and first on the docket is, is it (spray)?, SPPRE. We're going to let you go right into your presentation. I have promised them that we will not cut them short. We were going to go from 2:00 to 3:00. We're going to go from 2:20 to 3:20. Is that agreeable? And again, our apologies.

John Stainback

I'm John Stainback, managing partner of Stainback Public Private Real Estate, and we go by SPPRE. This is Jim Cooper, the Vice President of our company.

John Stainback

Glad to be here. We've looked at your site, and it looks like a great site. We'd be anxious to get started if we're fortunate enough to get selected. We've got a five part presentation for you just for the SPPRE portion of this presentation and we've got a second presentation that talks about your project specifically. We're going to give you a quick overview of the company and then talk about our 17 step redevelopment process which is working around the country for public partner clients, the advantages of using this approach, and then give you some six or seven case studies of projects that show you the success of our work.

I'm going to lead you to the screen for a few of seconds. These are testimonials of clients and other major figures around the country. We hope you appreciate the idea that the sole purpose of our company is to work closer with public partners to do just two things: get them from project concept to construction on major projects, and then I'll talk about the 17 step process later. The

only other thing we do is optimize and leverage non-tax income and tax revenue from underutilized government owned real estate assets.

This is been going on for about 18 months and we're really proud of this. If you type in the generic term *public private real estate* into the national search engines of Google, Yahoo, and MSN we come up number one. We've had that position for almost two years.

The following objectives we have for our public partner clients. We use this predevelopment process to place our public partner clients in a position of strength to negotiate with developers and to solicit developers. We use approval rights to maximize your control of every aspect of the project. We know you're concerned about losing control when you enter into a public/private partnership, so we've come up with 14 categories of approval rights. We leverage these non-tax incomes from land, primarily, and tax revenue generated by the project to reduce or eliminate public capital investment. We can minimize and in some cases you'll see eliminate public risk for these projects as well. We've also come up with financial and development safeguards to protect you from the developer downside. It takes most public partners 7 to 8 years to go from project concept to opening the doors in the buildings. We're doing it in 3 to 4 years. I'm going to let you scan this list. It may be hard to read. That says downtown redevelopment and the next category is town centers and transit oriented developments. We're working on some exciting projects. They range from cost of 40 million dollars to over a billion dollars. Our average size project is about 150 to 200 million dollars. We also work on major sports facilities and community facilities. We're proud to be on our fourth year of a contract with the National Association of Home Builders to educate their 235 thousand members as to the advantages of this approach. We're also beginning to take over the asset management of real estate owned by such organizations as Chicago Transit Authority, the City of Carrollton, Texas, and others along the way in Florida. We're really proud that we were just selected among 12 firms, ranked number one in fact, for a two year contract with two one-year extensions with the City of Orlando to serve as their on call public/private finance and development advisors.

This is what's driving most of our success, we think. This is our 17 step redevelopment process. We'll spend a few seconds on this one. Most public partners are really good at getting through steps 1 - 3. They get to step 3 and they have a vision and they want to implement it, but they don't know exactly how to do it, so they have a tendency to jump from step 3 to step 14 and solicit developer RFQs or RFPs. But we urge our clients not to do that because we don't think they're totally prepared to structure a deal with the developer. And it also puts them totally dependent on the developer to give them a fair and reasonable deal. And I don't think, as much as I love developers, I don't think they're going to volunteer a great deal for you, unless they're forced to. So we urge you to go back to step 4. Start with step 4 which is a market demand analysis, a very critically important study. It's done by - we have a network of market demand analysts we work with. So we make sure that the building program, in step 5, is market driven. That's very important. We also earn the credibility of the developer. And we take that building program and we turn it over to architects, and they do some preliminary design work, not a lot of design work. And then we take over from there and start with step 7 which is to prepare a total development budget. That's all the hard and soft costs it takes to finance, design, develop, and operate a project. Number 8 is completing an exhaustive financial analysis including developer performance and financial sensitivity analysis, and I'll go over that in detail too. Eight is

development phasing. That becomes part of all this process. Number 10 is develop alternative public private finance plans. That will solve any cash flow shortfall that we've identified in step 8. By doing step 8, I'll talk more about it in detail later, but you'll see the advantages of doing step 8. Step 11 says develop alternative ownership, investment, and development and operation scenarios. We do that both for the public partner client and the to-be-selected private developer, and you get to select which role you want to take on. And we'll advise you on what one we'd most recommend. Step 12 is helping you structure public financing as well as bond applications. If there's any future land to be acquired we would suggest that that would happen in step 13. After all that's done and you know the deals better than developers quite frankly, you're ready to issue or develop a RFQ or RFP. In step 15, we help you negotiate the development agreement or land lease or both. Step 16 will help you place the money. We have a tremendous working relationship with Morgan Stanley which is one of the most impressive investment banks in the world as well and Lehman Brothers, so we're able to help the developer acquire equity and debt and, of course, place any revenue bonds that we would generate. Step 17; serve as owner's rep. during construction. Nobody's looking after the public partner in most public/private partnership clients. The banker's got an owner's rep but nobody's looking out for the public partner, so we do that for a small fee which paid by the developer which comes out of the development budget. The whole idea is to make sure that the developer delivers what is promised in the developer agreement. So we're a true advocate of the public partner.

I want to go over step 8 because it's the crux of our business. By completing a developer performance analysis, we determine what the developer's return on cost is and internal rates of return. We determine the optimum amount and types of land lease payments to the public partner yet meet the requirements of the current private equity and debt capital markets. We determine the balance of contingent and non-contingent land lease payments. What is meant by contingent is contingent on the performance of the developer. We try to maximize the non-contingent so that you're guaranteed that payment so that we can leverage it into a revenue bond to help you pay for capital improvements. Determine the schedule of land lease payments. Complete a tax revenue analysis generated by the development of the TOD on your project. Determine the amount of revenue bond that can be supported by the land lease payments to you paid by the developer. And the property, sales, and hotel occupancy tax increment. Number 8, complete financial sensitivity analysis to assess risk facing public and private partners, and I can explain that if you'd like later.

We've talked about the advantages of using this partnership approach. What we love about this business is that there is so much flexibility and creativity involved - available to you to structure these deals. And we've just highlighted some of the points, but if level of control is important we can solve that with approval rights which are integrated into the developer RFQs and RFPs as well as the development agreement. If economic return is important to you, we can make that happen. Your risk is going to go up, but we can make that happen. If you want to take an ownership position, we can tell you what the risks are there and what the costs are. And level of responsibility - some clients want to be totally involved and some clients want us come back and turn the keys over to them when the building's finished.

This next area is exclusive to our company. We think that we're the only company in the country that's developed 14 categories of approval rights to give our public partner clients

control over every aspect of the project. Most public partners are relegated to some sort of design review capacity. We include all these in the development agreement.

This is tough to read from back here, so I expect you're having a tough time to read. Basically in a nut shell what this means - I'm trying to explain what public private finance means. Basically it's sources of public and private debt from the primary and secondary partners. There's leveraging the land lease payments and the tax revenue and the facility operating income and the interest income you realize from the payments - we leverage those. There's the multiple types of project based financing. There's the government owned land that is a major factor. And then we use credit enhancement and bond insurance to reduce the cost of finance of these projects. We've got three types of incentives available from three levels of government that we sometimes use. We've identified 60 ways to reduce development costs and enhance cash flow. So typically the solution is some kind of combination of those eight boxes. And we've structured 19 billion dollars worth of deals and we've never come across a project we can't solve.

These are just some of the selected, just to pique your interest. Some of the public/private finance instruments that we use. Land lease backed revenue bonds. Land lease payouts - we came up with that. We think we've originated this. This is present value land lease payments from condominium units that are paid by the developer upon closing of the construction loan. Tax increment financing. Backed revenue bonds, new market tax credits. We've done an initial analysis, and we're not sure you're available for those, but we're going to do some more homework on that. And we think we can use these to your advantage, as well as low income housing tax credits and payment-in-lieu-of-taxes which you'll see an example of in a few minutes. Most cities think that public/private partnerships is relegated to just the city and the developer. We urge our clients to look at public/public partnerships which are all these different entities that could be involved in the project - especially for a TOD project like yours. We've identified 17 sources of financing from different federal agencies that apply to transit oriented developments. We'd like to suggest you get the county and the state involved because they're going to make a lot of money in revenue, income, and tax revenue - as well as possibly other entities.

Now we're going to get into case studies and you'll see the strength of our work in these examples. This is what's called the Orchard School Henry Adams House Project of Washington. It's basically an Elementary School Project with an under-utilized real estate asset. This is what they hired us to do from step 4 through step 10. By the way, the highest and best use was an apartment house for this site. This is a 75 year old elementary school building that they were ready to close, but the school didn't want the building to close because there was such great education going on inside. But it desperately needed to be rehabbed and expanded, so they went to the DC government and asked for the money to do that and they were rejected by the city government. They brought us on board and the first thing we did is we looked at their real estate assets. Here's that school building you just saw and here's the property 1.8 acres of land owned by that school district and we saw this as a tremendously underutilized real estate asset. So we got real clever, and, like I said, the market demand for the site - the highest and best use for this land - was an apartment house. So here's one among several alternative public master plans for the same site, that's the same site owned by the school district. Here's a new 12 million dollar elementary school on the site with its playground and recreational space. Here's a 211 unit

apartment house with parking underneath. Here's access to the parking, and here's the front door to the apartment house. This is what we told them it would look like. And sure enough that's what it does look like. It's the first elementary school or any public school building built in DC in 25 years. The kicker to the story is we structured it so that the District of Columbia issued a 35 year tax and revenue bond secured 100 percent by the private developer of the apartment house. He pays – he covers 100 percent of the debt service on the new school building in exchange for not paying any property tax for 35 years. So the bond's not guaranteed by the full faith and credit of the city, so they're happy because it doesn't affect their debt capacity and upon the end of the term of the bond, the ownership of the school reverts to the school district and the developer starts paying 100 percent of the property tax after the bond is paid off. No incentives were used to finance the apartment building and the developer incurred all the risk for both the school building and the apartment house. And we're proud this project has won national awards. So in a nut shell the school district got a school for no cost.

I'm not going to spend a lot of time on this. I left this in here because of the soccer stadium project that may become part of this project. This is a NFL stadium project with a retail center and the private partner is Michael Ovitz of Disney and he teamed up with Tom Cruise and Shaq O'Neil as equity partners and they approached the City of Carson to build this project. The great piece of property that the City of Carson owns, if you know Los Angeles, it's on the freeway 405 and the 110. This is what Michael Ovitz and Tom Cruise and Shaq want to build. It's a 75 thousand seat NFL stadium. It costs about 750 million bucks plus 500 million dollars for the franchise. Michael Ovitz wanted the City of Carson to pay 180 million dollars. We did an exhaustive financial analysis and determined that he really only needed 100 million dollars, but we needed to figure out how to finance that. Here's our solution: we're taking 48 percent of the property taxes generated by the project. The other 52 percent go to the general fund. We're taking a 1 percent share of the sales tax. We're taking a dollar admission tax on football admissions only, a dollar parking surcharge on football events. And those four sources of non-tax income and tax revenue supported an 82 million dollar bond which is combined with 18 million dollars in cash and the City of Carson can cover their 100 million dollar portion of their stadium project. They were still concerned about Michael Ovitz, but we came up with safeguards to protect the city from Mr. Ovitz' performance or lack of performance.

This is an exciting project in Chapel Hill, North Carolina which involves four sites, three of which are owned by the city. The whole idea is to develop these sites and strengthen the downtown. The city hired us to go from step 4 all the way to step 17. They were, by the way, they were ready to make the same mistake and we convinced them to go back to step 4. If you call Cal Horton, the town manager, he'll tell you that they made the right decision because by doing this process we got a lot of issues resolved and by the time we went the RFQ we were ready to do the deal and the developers knew it. Market Demand Analysis revealed the need for condominium housing primarily and retail space. So we're the development manager, here's our seven headed public partner client. Here's the team that we used to help us with step 4, 5, and 6. And we brought along a local construction company to help us out with cost estimates. If you know Chapel Hill, here's this is their main street, Franklin Street. Here's the University of North Carolina. Here's their 100 percent retail corner. Here's the land that the city owns: lot 5 - parking lot; lot 2 –parking lot; and then this underutilized 2-story garage. This is the property we suggested that they purchase because it was allowed higher density in lot 2 by building a garage

here. This is the level of design we go to. Not a lot and not very much level. Not much detail here. So here's the master plan for lot 5. If you notice it's got retail on the street level. This is the main street, Franklin Street, with housing above. A lot of open space here that they demanded be part of it. We told them that was going to force us to go underground with parking with the demand scheme, but they still wanted to press forward and see whether we could figure it out financially. Here's the master plan for lot 2. Here's the 100 percent retail corner, and here's the main street back here. But it's only a half a block of the 100 percent corner, retail on the street level, housing above. Here's four stories of housing above on top of that two story underutilized parking garage. The next shot you're going to see is standing here looking this way.

I know you can't read this, but I'm going to give you an enlargement of this in the next couple slides. I just want to show you the structure of what we call our financial engineering diagrams. Basically what we're doing here is that this is the private development portion. We've run all the developer performance that we know what works with the private equity and debt, but somehow we've got to finance these public improvements, which is in this case 17 million dollars of public improvements. These are the finance instruments we use to finance these public projects, and these are the sources of non-tax income and tax revenue generated by the project only. So in a nutshell we've got the project paying for 17 million dollars of public improvements. So now I'm enlarging it, I'm focusing in, here's the Wallace Deck portion of the project financial engineering diagram and here's lot 5. Here's the cost that we have to cover. It says revenue bond. That's covered by the base rent on the retail space. Remember we can't get base rent on condominiums because it just doesn't work. So we did a present value analysis on the land lease payments and that's what we call land lease payouts. And there's lot 5, and then we borrowed the money from the Wallace Deck to pay for this cost. So that 9 million dollars is covered. Now we've got to figure out how to pay for this balance of about another 9 million dollars for a transit transfer center, a pedestrian bridge, and another garage. We used the portion of the land lease payments from the Wallace Deck. We've also got the city enjoying a 20 percent position on net sale proceeds, so that when the developer sells the building or refinances it, the town gets 20 percent position.

This is a very unique diagram, but it was very effective. This is the sources of funding from the developer to the town over the years 2007, 08, 09, 10, and 11. Here's the way the city's using their funds over that period of time. The objective of the slide is to show positive, if you can see it says green, positive cash flow every year for the first five years during construction. So the client is very comforted that they don't have to come out of pocket with any money to cover the 17 million dollars in improvements.

This is a summary of the public/private finance plan, and this shows the money that will be generated for the project by the town in years 1-30. Here's the property tax in the years 1- 30 and how it's distributed. And here's the sales tax from years 1 -30 and how it's distributed. So the public partner clients participants make 150 million dollars plus get their project built which is what they wanted.

So with that, the town was ready to issue a developer RFQ and RFP, and we managed this entire process. I weighted all the proposals as you'll see in a second, managed the developer

interviews, and then recommended the selection of the developer. This is the very objective third party evaluation that we use, the format we use. Here's the categories of evaluation criteria. Here's the points we jointly agreed to with the city to assign to each criteria, and here's the points for each - to final developers. And clearly developer number 1 won by almost 20 points.

This is one page of a 20 page report. If you can see that, that says 228. It was about a 300 line item evaluation of these developer proposals. It's very difficult to get an orange-to-orange comparative analysis of these proposals. It takes an enormous amount of work. We do it all the time, and the results are fantastic. What we do, I'm not going to get into this, because it'd take 2-3 minutes to talk about. But basically we check all the developer assumptions when we're analyzing these developer proposals. And they can have the cumulative effect of making the project look like it's not financially feasible, and therefore they come to the city and ask for financial assistance. And we know better.

This is what we did after the project was completed. We took what we had proposed the results of our work and compared it to the winning developer's proposal. It's almost identical. So our credibility in Chapel Hill went way, way up, as I hope it does for you. Then we proceeded, once the developer selected signed an exclusive right to negotiate for 180 days. During that time we worked on an MOU - basically a term sheet, a very lengthy detailed term sheet. Then we turned it over to the attorneys to prepare the development agreement.

This is a project in Lawton, Oklahoma where we were again the development manager. In this case, they wanted us to look at 100 blocks we're going to be focusing on different sections as you'll see. This client's hired us to complete steps 1 through 17. And here's the first master plan iteration for the downtown area. We're going to focus on a three part phase 1 - a lot of analysis. Here's phase 1a, phase 1b, and then 1c. Here's their 100 percent corner right here. Part of phase 1 is phase 1b which, this all government owned property, so we knew we could leverage that with land lease payments from the developers.

This is an interesting project. I left this in here because there's only two or three slides, but it really shows the power of our work. This is what the city of Castleberry hired us to do on a new town center project. This is the RDA area and this section of Florida. This is the project area. This is the developer's proposal for the site. He's included a new civic center, a building, and this is the City Hall, another city building. This is what the city paid for the property and including the soft cost. This is what the developer offered in April of 2005 before we were hired. After we completed an exhaustive financial analysis, we determined that the developer could afford to pay for this much. So we went from two and a half percent return to a 26 percent return. And we suggested to the city that the civic center building be taken off this site and moved to a lake front site that city owned. That allows us to generate another million for our client. So we went from 2.5 percent returns to 52 percent returns. This client is extremely happy.

I think there's one or two projects left. They're both TOD projects. This one, in this case we were hired by the private developer. I'd say 85 percent of the time we're hired by public partners, but 15 percent we're hired by private developers. This is an interesting concept, this is

owned by the New Mexico Department of Transportation. It's about 25 acres of land. Here's their two story existing office building. They issued a developer RFP. Basically what they wanted was a 90 million dollar new office building and garage in exchange for allowing a developer to commercially develop this 25 acres. So in this case it's our job to make it work and help form the team. This is a world class team of consultants and other specialists, both national and local talent. This is the master plan for the 25 acres of land owned by the New Mexico Department of Transportation. Here's the commuter rail going to Albuquerque. Here's the transit station, and this is mixed used. This includes hotels, health clubs, housing, retail, office space. Here's the new New Mexico DOT office building with its garage built in two phases.

Again same format, very different numbers. This is the private portion of the project that we know works financially, is financially feasible. These are the 90 almost 100 million dollars of public improvements that have to be financed for this project. These are the finance instruments we used. And this is how we did it. This is phase 1 and this is phase 2. So here's a blow up of that chart. Phase 1 is the office building and the garage which cost about 50 million dollars. You take the land lease payouts from the condominiums which adds about 5 million dollars. So that leaves you with 46 million dollar revenue bond. We supported that revenue bond by base rent as in land lease payments from the apartment, retail, health club, and hotel. We got the garage net operating income and property tax and hotel occupancy tax, as well as construction rent paid to our client, not our client, the New Mexico DOT, and interest income covering that revenue bond. And then these are capital improvements and daycare centers, that sort of thing, that we used TOD resources, federal TOD financing resources for.

This is phase 2. Phase 2 is the New Mexico DOT office building. This is the same thing we used, the same finance instruments we used with the same non-tax income. This is, I wanted to show you this because this is the – we had 200 pages of developer performance that we completed to make this happen. So, I know you can't read this, but this says construction rent, net sales proceeds. And the interest income from those two paid the New Mexico DOT. This is total rent, base rent, and this is parking income from the garage. We're using the New Mexico DOT's garage after hours. So there's total non-tax income. Then there's property tax, and hotel occupancy tax – which by the way we stopped it in year 18. So that totals up, and if you add this column and this column, this covers, this is what this bright yellow column is. And if you could read it, this is the debt service on the New Mexico DOT office building is covered by this amount every year. So we think we're going to win it. We're one of two finalists for the project, and all indications are that we've cracked a nut that nobody else thought that they could solve.

This is a TOD project in downtown Carrollton, Texas, and we've been hired to prepare all this work, finish all this work. This is what they've hired us to do. And this is the project. It's an enormous undertaking, But this is part of the Dallas Area Rapid Transit System. They're very excited to have us on board. In fact they've turned around and hired us as a second contractor to manage their real estate assets. We love this kind of quote from developers because that's exactly what we do – we hold their feet to the fire. We're fire and reasonable about it.

I'm going to wrap up here. These are the advantages of using our predevelopment process approach. You're assured that the building program is market driven, you've solved the design issues, all the costs required, finance design and the development project are included so no

surprises. We've determined the financial feasibility. We determine whether developers need financial assistance, and if they do we come up with a way to help them. Determine level of risk for public and private partners by using financial sensitivity analysis. Develop phasing plans, public/public partnerships. Use financial engineering to demonstrate to public partners that the public/private finance plan works. We use those diagrams to show laymen how the financing works. And then determine the most advantageous position for them to take on the project.

These are references. I'd be glad to leave these behind with telephone numbers and addresses if you'd like. I urge you to call them; they're going to give us great reviews.

I'm not going to spend a lot of time on this because I want to get to your section of the presentation. I did want to end with this. This is how much money we've generated for our clients in the last two years, 2004- 2005.

This is designed for your project. And it's a five part presentation. We're going to talk about the objectives of working with the RDA and city council. We think SPPRE fits what your RDA is looking for in a consultant. We took notes and an exhaustive, not exhaustive, two year – I mean two hour presentation project analysis at ULI last week. And we sat through it and we heard the UTA. They hired ULI to come look at one of their TODs. We took some notes and we wanted to share those with you. Major issues to solve not covered by our predevelopment, and our approach to working with RDA. I want to stress a lot that this proven 17 step process will place you in a position to strengthen - structure public/public partnerships, structure deals with land owners, solicit private developers, negotiate land acquisition transactions, land leases and development agreements. We've also got to optimize land owned by UTA and the county which I'll talk about in a second and we've got to maximize any non-tax income to the city and to the RDA as well as the tax revenue. And we're going to leverage those in the tax back bonds. We can minimize and eliminate your risk. We can maximize your control using our approval rights. We can accelerate this process. We think we fit what you're looking for. We've got extensive experience structuring and creating public and private finance and development plans primarily from mixed used developments and TODs. We got extensive experience working with public partners from project concept through construction. We got proven experience working concurrently with multiple entities. And we know how to manage the design, finance, development, and construction of mixed use projects. We're good at working with and managing multidisciplinary teams. We've originated this public/public partnership concept, so we're going to use that to your advantage, and we've got experience negotiating with and monitoring the progress of developers.

I put this in here because this would not normally come under our scope of work for your project unless you requested it. But I do think we're going to have to assess the environmental remediation costs for your site. We're going to have to develop a finance plan for the affordable housing. That's going to be difficult. Develop a plan for you, the RDA, to acquire and/or control major portions of the project area. And we've done enough homework to find out that the UTA owns almost 4 acres of land as well as the county owns almost 3 acres of land. So we're going to look at that, find out where it's located and use that to your benefit, I hope. And at your option, at your request, we'd develop a finance plan for the soccer stadium.

This is what I learned from the ULI session with UTA. They've got real, these are quotes by the way, problems with dedicating TOD funds to roads and infrastructure versus transit. So they don't like to spend money on TODs. They just want to spend it on that rail system. The UTA board is very risk adverse. But they do want to show that live, work, play and mixed use developments work. I thought that was very interesting. UTA also needs TOD developments that support UTA investment into transit, so that's their mindset.

Planners tend to look at planning issues, and they tend to look at them in a vacuum. I want to make sure that you understand that we're going to concurrently address planning with finance issues and development issues and deal structuring with developers. And we're going to do that concurrently. We're going to concurrently work with the public and private entities that can be involved in this project. Federal Transit Agency, U.S. Treasury with the new market tax credits, the Taxing Entity Committee, the developers, and landowners. And we're going to use our creative and proven public/private partnership methods to reduce your capital investment. And we're going to guarantee you we're going to be always focused on implementation. Thanks a lot. I appreciate it.

Jim Brass
Thank you.

John Stainback
I know that's a lot of material to absorb quickly, but we wanted you to see the case studies as well as our methodology.

Jim Brass
It was great; it was interesting. Questions from the board?

Pat Griffiths
Since it is so much to digest in a short period of time, would we have access to this presentation?

John Stainback
We never do that because we don't our competitors to ever get their hands on them, but I can somehow – somehow we'll manage to get you a package.

Jim Brass
Timeline – how long does all of this take? We've been kicking this project around for a long time, and I like a lot of what you're saying, but I'm wondering starting from say step 4 to the end.

John Stainback
Starting from step 4, that takes about 8-10 weeks, but we're doing a lot of work from that time. This takes about 2-4 weeks. This can take as little as 2-4 weeks. This can take 2-4 weeks. This is the one that takes all the time, and maybe that's not an issue because I understand there's some developers who want to develop this site or are at least showing interest. But if you want formalize the solicitation process that's going to take you about, if you through an RFQ or RFP process, it's going to take 6-7 months. And this negotiation process takes about 90 days. And

the rest and your off to construction. So what's all that add up to if you were to add that all up a year maybe less? We can go as fast you want us to. What typically happens is at every step of the way you want to get involved and you have a lot of questions. And we want to refine it with you.

Jim Brass

OK. Because you've intrigued me with some of the financing schemes. And a bad choice of words, but I like the ideas. Especially federal TOD financing. That's the first I've heard of it.

John Stainback

Unbelievable amounts of money that's available from about five different federal agencies all pointing money toward TODs. And what's really great is that it's not just transit, its housing, daycare centers, garages, landscaping. You wouldn't believe what's available.

Jim Brass

Kind of the entire project in a nutshell. So that works.

John Stainback

Yeah. Exactly.

Jim Brass

Mayor do you have a question?

Mayor Dan Snarr

You've done work all across the United States. I'm impressed with your ways of bringing in financial resources to the table. I guess my biggest concern is always who do I speak locally to I need answers or I need someone right here to address something. In other words, your down there, we're up there. But it looks like it's been working other places because you've done these projects. How do you do that? How do you work through that issue there?

John Stainback

We're on the plane a lot. That and what we've been doing lately is web casts. Where we have a presentation over the computer, and that's one way we can work with you. I'll assign a development manager to the project if you select us, and he'll be here when you need him, and I will be too.

Mayor Dan Snarr

Your brain trust is down at the home office and from there you kind of distance out.

John Stainback

Well, we have an office in Orlando, Florida, but yes we work out of the Houston office. We fly once a week. I've got a couple million miles with Continental. It's just the nature of the business. I mean that's just the way it works.

Mayor Dan Snarr

Sounds like my brother-in-law, he's a project manager for all the rehabilitation of the Sears and K-Mart stores, and he lives on the plane and that's all he does everyday. He leaves Sunday night and he comes back Friday night.

John Stainback

I'm afraid that's the downside of this business. I know. Tonight's my sixth night on the road here in Salt Lake.

Jim Brass

Any other questions?

Krista Dunn

I liked your presentation.

John Stainback

Thank you very much.

Pat Griffiths

I, too, was intrigued with the multi public entity partnerships.

John Stainback

The public/public partnerships? Don't underestimate that because the county and the state are going to make a lot of money of this project. So there's no reason why they shouldn't participate in some fashion. We'll find out what the best way to do that, but we got to have a case and we'll have to do our financial analysis and demonstrate to them why they should invest. That's one thing we would do with you.

Mayor Dan Snarr

Obviously, you do this for a living, and you know where the money is and how to get it. The thing that we're looking at though, I can't figure count, but I think that at the end of the day we want this to be a win-win-win-win situation for the people on the property so they get optimum utilization of the property. They get the amount of financing they really need to make the project work. And at the end of the day everybody feels like they've been treated fairly and equitably. That's what we want, and nobody's taking advantage of somebody else.

John Stainback

Absolutely, that's our job. What ends up happening is we end up being the objective third-party in working with both the developer and the public partner to make these deals work. I mean it's got to work for the developer. Otherwise, it's not going to happen.

Mayor Dan Snarr

Well, we have a developer that's here and on the projects he's done so far he's kept every word and promise he's made to us so far. And we're not sure about the other group, they haven't done any work in Murray, but they've acquired a good portion of the land. I believe it's 22 acres if I'm not mistaken. Is that about right? Does anyone out there know exactly? That's about right – 22 acres, a big chunk of land. You know, and it sits between the heavy rail and the light rail

line. And that's always been a concern to me. But looking at some of these projects. I said jeez, you've got them between the light rail and the freeways and main arteries and everything else. And I've seen the work, and I don't know if the noise is going to be a big issue, but that's also going to be a commuter rail line as well. And I think in today's society, there's no reason why you can't say hey, enjoy the ambiance of the rail. You know and convince them it's a good place to be. It's better than paying four bucks a gallon for gas at some point in time in the future.

John Stainback

We, by the way, we think TODs is the future. Between the traffic congestion and the cost of gas, TODs are going to be hot properties.

Jim Brass

I was going to say three dollars a gallon that's probably right. And I like the fact that one of the things you do is you look at the market analysis. To get idea of the mix that can fit in there because that is what we've looked at all along.

John Stainback

And the developers will love that we did that because it's a market-driven program. That somebody wishing and hoping that they can build an x number of square feet of office or retail or housing.

Mayor Dan Snarr

We just wonder, I hate to interrupt here, but I just keep thinking that the driver behind the success of anything that happens in Murray will be the fact that at the end of the day the most important things for your quality of life are your health and we're having a world class medical facility being built here, and for some reason they need employees and the patients and the people visiting the patients need places to stay or places to eat, and all of this can work.

John Stainback

If we were hired - I'll give you some free advice. We've looked at that site. That would be one of our top priorities for you to make that project happen because you got the tremendous investment in that medical center and you've got a train station which is within walking distance.

Mayor Dan Snarr

Pretty close, if it's not than they can catch the light rail back to it. And obviously, and maybe you're not aware, but the biggest commuter platform to platform transfer station from commuter rail to light rail will be right over here on the whole corridor.

Jim Brass

One stop away. We know as a board have looked at that and we think that's a unique and ideal location right on the Trax line. Right on one of our major east-west corridors right near the freeway. One of the things that I'd hate to see is that we sell ourselves short on it and as a city I'd like to maximize our opportunity.

John Stainback

And that's the business we're in.

Mayor Dan Snarr

And one other thing, just one more comment here real quick. It's not the 97 acres. We're talking over 200 acres that could be developed down there. The land is not being utilized to its best and highest use.

John Stainback

The 4500 South site?

Jim Brass

If you go further west of the RDA site.

Mayor Dan Snarr

Yeah, I mean it goes all the way 4500 South and can go all the way to the freeway and from State St. back and it's an incredible land.

John Stainback

What about north of Cottonwood Creek?

Mayor Dan Snarr

That's what I'm saying, and then you could even go further north beyond that over to 3900 South.

Jim Brass

It is county once you cross the creek and out of our area, but nonetheless we feel that this site will impact a huge area. Hopefully, cause a redevelopment.

John Stainback

You only get one chance to do this right.

Jim Brass

That's right.

John Stainback

And we'd like to help you with that. Thanks a lot.

Jim Brass

Any other questions? Keith?

Keith Snarr

Thank you Jim, I wanted to mention that one of our challenges there is we got the residential developers who have acquired some property and we've got some property acquisition primarily in the area. Can you help the other property acquisition process?

John Stainback

Let me tell you, that's a great question because I've got a great answer. I used to work for a company called ElCorp and they were owned by Lehman Bros. ElCorp was a development

company and I've maintained that relationship with Lehman Bros., and now we've struck up a strong alliance. It's in the works to have an alliance with Morgan Stanley. We are now placing money for our public partner clients to do things: build facilities, acquire land, that kind of thing. So we are what we call consultants on steroids at this point. We're way beyond advice.

Jim Brass

Great. Alright. Frank did you have any comments. Just stretching? OK. Alright, any other questions? Again, thank you very much for your time and the presentation. I apologize for the delay. We will be in touch.

John Stainback

Not at all. OK. Great. Thank you.

Jim Brass

We'll take a moment while they get packed up and we get the next group in.

Presentation by PSOMAS

Gerard Tully

Good afternoon, my name is Gerry Tully, I am a senior project manager with PSOMAS, we are a regional engineering company, land planning and development consulting group. Our office is in Salt Lake, we are located just over the Taylorsville line. We've put together a group for your request for proposals and qualifications based on some of the best talent we could find and there's a lot of reasons for that. PSOMAS will lead this team as manager with Citiventure. Citiventure is a company that Marilee Utter runs in Denver and they specialize in a lot of the aspects that you have here with you TOD and RDA site. We have Scheer and Scheer architects, Brenda and David Scheer, they're based here in Salt Lake and Meter Williams and Pollock is an architecture firm out of Denver, they are not represented here today, they have done extensive work with Marilee, we brought them on board for their specific experience in TOD and urban infill work. The Concord group is a market firm based in San Francisco and Los Angeles, some of their members were in town last week to the ULI meetings. Fehr and Peers is a local transportation planning group which is on our team and Hoffman Law, represented by Jody Hoffman whom you all know.

We believe in an approach from the standpoint of it's your vision, it's your community, it's your town and it is more important to you as a neighborhood coming together than it is for us a project. So your vision is really central to everything that we propose to do as a team. And how did we get together as a team, I've got over two and a half years of experience on the Simpson Steel site trying to make that work. One of the biggest problems I had was the fact that the RDA was not in existence then and there were just two many issues for just one development parcel to solve by itself. So I sat down and I thought, I really want to help see this project through, I want to follow up on what I started. If I were somebody who put together all 100 or so acres in this area, what was the team I would need to bring it to conclusion? We went out and really decided that infrastructure is one of the key issues and PSOMAS is very adept at handling that. Design, all issues of architecture and urban design, so we put some architects with very specific experience. We believe that a partnership that understands your time commitments is very

important. We know the RDA laws are constantly changing every time the legislature meets and we know that your staff and your city attorney while keeping on this, there are so many moving parts during their normal day that we looked for a legal expert that has key insight into what the RDA can and can't do, hence Jody Hoffman is on our team. I went out of state looking for some experience on someone who has done this exact kind of role of representing a city in getting a project built. Marilee Utter has a long track record of doing just that. So we really looked at an interdisciplinary approach towards what is the team you would need from day one if you were doing this project as the developer yourself. Now keep in mind your request for proposals did not have a scope and we're not proposing to run amok on this, everything we do will be scoped out beforehand with your staff from directive from you. There will be cost controls and budgets that will be accepted and then work will proceed on your terms at your budget and according to the talent that we have on the field at the time. TOD's and this site particularly are very complex issues. They follow the standard rules of real estate, just because a transit station is stuck in the middle, doesn't mean you can ignore basic rules of real estate. Its still transit oriented development, its still development as the key focus, and in order to be successful, its got to follow the standard rules of development and real estate finance. Public/Private partnerships are very interesting animals, they require sophisticated expertise that understands the needs of both sides. The city has goals and objectives, the development community has realistic pressures and return on investment expectations. We propose a team that understands both those side, because we've been on both those sides. We've acted as consultants to public and private sector, we've acted as developers. Several members of the team have been developers both in the state and outside of the state. We wanted a regional team with a strong local presence, management will always be local, one phone call and we can have significant team players at your offices when needed, but we wanted that regional focus, because Utah is rather new to transit oriented and infill mixed use development and yet places like Denver, Portland, San Francisco, they've all had extensive track record in this and it's important to learn from what's been done successfully as well as to learn from what's not been done successfully. As I said, local project management is important, you deserve to know who the people are you're dealing with and that when you need them they're here. One side issue, at PSOMAS we have offices from Southern California to Northern California over to Denver, down to Phoenix, we have video links to every on of our offices. If in the case of an immediate need to get together and talk over more than just a conference call, we can actually have our consultants out of Denver and our consultants out of Los Angeles meet at one the PSOMAS offices and we can be video linked with city staff or yourselves in the room. Our office is just off of 4500 South.

We've broken up the organization into planning and design of which I will be the manager, finance and deal structure with Marilee managing that and implementation once again I will be the manager. Under those headings, everything from urban design and engineering and infrastructure to architecture, the form of the way it looks, the coding that needs to be done and transportation are all under the design heading. Marilee's team will head up development coordination, agency representation to the private sector, market analysis through the Concord Group and legal coordination through Jodi Hoffman's firm. Now the Concord group, they are not here today, but they do have extensive background here in the valley. In terms of moving the project towards implementation, we do not believe that you're at a point that you're ready to do to a study, you've done some studies, you've put out a lot of effort and cost and we believe those are ready to be tuned up and put into an implementation of what you believe the vision is for all

the process you've been through and PSOMAS can help with everything on the implementation end including as built documentation, compliant inspections. We also propose a design critique. We recognize this project will be built in various phases with various owners and each project that's approved, we think the feedback loop should be we sit down as a team with your staff, evaluate what's happened and see if we need to make any tweaks before anyone else submits a proposal to make sure that we're not undershooting the possibility of what can go on here. This is a very strategic site, it's very important and we don't underestimate the need for knowledge to come in and constantly fine tune. As project manager I will be directly answering to Keith Snarr, your director and to yourselves. So starting with our team, PSOMAS will be the lead, we believe in strong project management, planning and engineering. We are a large firm, we have over 700 employees, I guarantee whatever issue comes up, we have someone in our organization that's probably seen it, dealt with it successfully and knows what steps to make and what not to make. We are in our 60th year, we were formed by a gentleman that came back from World War II and opened a survey company in a small place called Beverly Hills, and I guess the rest was history. So we are local in terms of our experience, I have personally planned, developed and managed several transit oriented developments, one that's going in the ground right now is adjacent to the 10000 South transit stop, its called Belmont Station and it will be a mixed-use residentially anchored development on four acres. The density is anywhere from 105 to 140 units on the 4 acres. We didn't look at this on a density basis, we looked at it on a square foot yield basis, because the market at the south end of the line is slightly different than the market would be here, we looked at how many square feet can go in, and then we worried about how many homes it can be divided up into. We have a lot of three bedroom units down there, which is why the numbers fluctuate down from a high of 140, we may only end up building 100 by the time the project is done because each home may be a little bigger. In terms of large projects that we've completed or were involved in, we've worked on projects such as Jordan Landing which has been very successful, Traverse Mountain where the large Cabella's is, Scott Ropke is here, he is one of our senior engineers and senior project managers. Scott has been the project manager for the large Travers Mountain project, he was the team manager for Cabella's and he is currently working on the Forest City's mixed use development proposal in that area. So we have a large area of expertise including putting a bridge under the railroad tracks to get into that site. I've done one bridge with Scott's help down at Suncrest in Draper, Scott has now done a second bridge, he has a very good history of working with UTA and Union Pacific with getting those underpass crossings in. I'll have Marilee talk about Citiventure.

Marilee Utter

Citiventure is me. I specialize in development services, advising the public sector or private land owners and developers how to do mixed-use projects and transit oriented development projects. My background started out being a banker for a number of years in real estate finance. Then I went to work for the City of Denver and I ran the real estate for the City of Denver for a number of years, then became a private developer and did that for seven or eight years then went to the transit agency and started a department called transit oriented development, and now my practice is pretty national in working on building these transit villages and actually transit districts, which is exactly what I see in this project. Let me talk a little bit about one of the projects that I think is very parallel. This is city center Englewood. This was a failed mall site, only 55 acres, a little smaller than your area. It was a regional mall that failed in a town of 30,000 people so I think their total annual budget was something over 15 million dollars and all of a sudden their biggest

sales tax generator right in the middle of town failed and the question was what are they going to do. So they did what every city does, they put out an RFP to see what the developers could come with. Every developer, twelve responses, all said oh it's a great site for big boxes; let's do a big box center. They knew that wouldn't give them the economic vitality and sustainability they needed. If a regional mall can fail, certainly a big box center can. So they hired me to be their development advisor and we started out saying let's do mixed-use and transit oriented development. This site you can see in the image the bottom central image shows kind of the plan we came up with. The only part of the mall we were able to save is on the lower right hand corner there, this was an old department store and we turned it into a new city hall with a library, museum and lots of public facilities. On the right hand side, the big grey box with a white is actually residential component; it was a Trammel Crow apartment project that they did there. 456 units, it was the highest end housing this town had, it was a below median income, low income, blue collar working class town. We put a main street in, we reinserted the street grid because we know this would densify. On the far end of the project we put in a Wal-Mart, because real people shop at Wal-Mart, we needed the money to finance all of this and making it happen was a real tricky financial deal. In the upper right hand corner you can see a little model we did to create the transit center. The wonderful thing about this site besides the traffic on the street was it did have a rail station and the original private developers had the rail station out behind the dumpsters behind the cinema and instead we made it the centerpiece, put a vertical element that housed the elevator and put a big bridge that got money from the FTA for pedestrianism, but more importantly have a landmark to start establishing this little zip code suburb that nobody knew when you were there or when you weren't and it became a real identity. The city acted as the master developer, we did all the land site work which is about 45 million dollars, we funded it half with public money, half with private money, then we sold off and leased the parcels to the private developers which worked well for them. We put the main street in so it has a coffee shop and all of that. It is not particularly dense, but what we found with these districts, when you get 50 to 100 acres or so, you need to be thinking about these as phased project. Enough critical mass to get them launched so that they become a destination and then transit station is a success and they pencil out, but not all built out today because over time the market will develop and you're going to want them to ripen and densify and just become part of the fabric. The next project that I think is pertinent to you is one what I worked on as the developer when I was a developer and I'm sorry the image doesn't show the whole region. This is called the Central Platte Valley. It was downtown Denver's old rail yards. It was a 165 acre rail yard, contaminated. The rails were consolidated in middle and it freed up a lot of land and in fact if you look at this picture in the upper left hand corner you could see the vacant land that's still there. The straightaway you're looking at is the 16th street mall which is the main retail artery and transit artery in downtown Denver and we designed these 165 acres to take advantage of the natural features. There's a river just like we've got a natural feature in this project in Murray City, but there were all kinds of infrastructure we had to get over and so we designed a big part and then a bridge over the tracks that became a landmark that you can see in the bottom picture that again becomes a landmark and puts a place on the map that says this is a place, this is a district, and starts to build critical mass. In the upper right hand corner you can see some of the housing that's being developed out there, this is now the hottest area for development and the project is now the highest priced product in all of Metro Denver. This residential unit on the right the prices in there range from 400,000 to 2.5 million or so on the top floor and it's a 50 foot setback from a rail where 45 mile long coal trains a day go by there. It's unbelievable. Nobody

thought you could ever do that. But because of the amenities that we created and the way we put it together. Again in both of these projects we've had to take into consideration the market first of all, and always it's the market. The engineering, the physical considerations had to be realistic and get people excited, and it makes something really happen there. The political realities really had to go through as well as financially and in very case we funded a lot of this with special district TIF financing because the market supported us on that, so these kinds of projects, the transformational project are my passion. Creating great places and then having a transit station to work around is wonderful.

Tully

They didn't start out having sales like 400, 600 and 700 dollars per square foot. The original pro forma numbers were 200 to 300 dollars per foot and the market really jumped at the opportunity. We understand Murray is not a few million dollar sales although you'd probably be happy if it were.

Marilee

When you really transform it, it's amazing what you can do.

Gerry Tully

Next up on the team is Scheer and Scheer architects and they can introduce themselves.

Brenda Scheer

I'm Brenda Scheer. David and I have been partners for about 12 years in Scheer and Scheer Incorporated, practicing architecture and urban design and planning, we also do visioning. But I think our biggest focus has always been on implementation in terms of urban and so I want to talk a little about that. We've worked on extremely complicated projects and I think one of the things that's really relevant to this project is that I think that you have a very particular kind of problem that's not represented by someone coming in saying well we own 400 acres of land and we did this project on it and made it wonderful. You have a very difficult problem both in the sense that you have a moving target in terms of RDA and you also have a moving target in terms of land ownership. That is an area in which we are particularly well suited. I've worked in Boston, I've worked with multiple property owners while I was with the City of Boston and trying to develop a regulation, incentives and so forth in order to move people in the next direction. It's not like you would to developers, so it's a very tough problem and you have to be working with the right kind of incentives and in order to do that you really have to understand what your limits are, where the property lines are for example, you can't just start running around with roads that don't make sense anymore and you have to understand what your legal network is that you're going to be working in. So I think you have a very good team that sort of approaches all of those things. I'm going to talk about this project in particular which is a project we did in Carmel, Indiana which is right outside of Indianapolis. It is a city not unlike Murray and they had a very large site this happens to be about 300 acres, they had an existing Meier and Frank store there, they have a state school and existing small hospital complex. They asked us to develop design guidelines for this area and infrastructure plans. We had about 45 property owners to work with here and included this we basically developed it. It was not under an RDA and so we developed this zoning and planning to work within the existing infrastructure but then add new infrastructure, add new zoning, add new design controls within that. So it was

a project that looks very similar to a lot of things you've seen today, but in fact is quite different because its done with a bunch of different property owners. The other project that I want to show you briefly is a project we did with an RDA in Indiana as well where we took over a piece of property and built a mixed-use project and housing and commercial office kind of stacked on top of each other which has its own problems in terms of design. This is a project we actually designed in our office and it won a statewide award for design. Currently we are working on two projects in Salt Lake that are both urban apartment condo, multi family housing projects, so we're very much attuned with the kinds of difficulties that you have with that kind of work.

David Scheer

I think its very important that Murray City have on its side of the table, so to speak, architects that not only talk the talk, but walk the walk in terms of the type of buildings that people will bring to us for construction on this site. We're interested in really making this happen. It's important to have somebody who has built buildings like this, knows the real problems that people face, will help get these things built and implemented in the various ways that need to happen and understand the problems that the developer's architects are contending with so that we can be helpful.

Gerry Tully

Van Meter Williams and Pollock, Tim Van Meter is someone I've been associated with and I'm very impressed with what he's done, Marilee can say something brief since she's worked with him extensively throughout Denver. We really put Tim's group on the team because with the practice in Denver and the practice in San Francisco they've been really at the forefront of a lot of the TOD specific issues and while Brenda and David are a strong local architecture team and they would be the primary architecture team that we would have input from, it was good to have almost a peer review group out of the area that can add new ideas and can fine tune the success.

Marilee Utter

Let me just say that VanMeter Williams Pollock actually started their practice in San Francisco and became known for their work with BART, and BART built their transit system and didn't pay any attention to land use and made lots of mistakes and VanMeter Williams Pollock has been called in to go back and try to retrofit and correct the mistakes and then Tim wanted to move back home and came to Colorado and opened an office there and I have done a lot of work with him. He really understands how to put together these TOD's. They also do actually a lot of work on work force and affordable housing, you can imagine in San Francisco the demand for that. So they really have a lot of expertise in figuring out how to make that pencil out, and that I think is a good addition to the team.

Gerry Tully

In the proposal we submitted, there was quite an example of their work and their resumes in there.

Marilee Utter

Just for what its worth, both of these, Westminster and Boulder are both in Colorado, both of these you can see are large district plans, both of them are where as Brenda mentioned, the city doesn't own the land, and in these cases we have to go in and sit down and talk with the property

owners and understand what their objectives are and come up with a plan that excites them and warrants their investment.

Gerry Tully

Fehr and Peers, Jon Nepstad is the local manager.

Jon Nepstad

We're excited to be part of this team first off and I won't go through every bullet point there but do a lot of work with PSOMAS and also VanMeter in the Denver area, we have an office in Denver. What we'd like to do, we're known for traffic analysis and transportation plans, but we also really enjoy seeing things go to implementation. We realize with this project one of the keys that I would identify as far as implementation, you really need to work with the other partners here. State Street is a UDOT road, we work with and for UDOT on a daily basis, multiple times within the day usually to be honest and we feel that's going to be an important collaborative effort that we could help out with. Another project Gerry has up on the slide there is we worked with Salt Lake City and UTA on the TRAX extension project recently. If you read the papers and I'm sure you do, there's some controversy, is it one station, two station, driveways in and out, accessibility to development and we firmly believe that good storytelling as far as these issues go help you sell it to the public and the business community as well. Another project I'd like to take a couple seconds to talk about that's not up there is the Ogden Intermodal Center in downtown Ogden. Its on a brownfields site, I was actually the project manager to get the environmental assessment done and the city got the passion about the project, getting beyond studies to implementation. We wrote the scope, worked for the architect helped hire the review panel, the architect and stayed on board to help out with any additional issues, we got additional Federal funding from the FFRC, the NPO and its my first and so far only project where I got to go to both a groundbreaking and a ribbon cutting, so as a planner that's a little bit unusual I think and exciting.

Gerry Tully

The Concord group brings a market based research and analysis component to our team, they are not here in Salt Lake, they are based in San Francisco and Los Angeles, however they do have substantial local clients including they are working on the downtown rebuild of the malls and doing market analysis on what the housing component is there, and we wanted a group... I've worked with them as far afield as Oseola County, Florida where our team was constantly in meetings with the County Commission down there how questions would come at four o'clock in the afternoon and at our meeting at eight o'clock in the morning during a seven day charette they would have answers of what was going on in the local market in Florida that the local people in Florida didn't recognize because they were not really looking at the data from a broad enough perspective. Rich Gaulous who would be their team lead could not be here today, he was in town all last week for the ULI meetings. But they are not what we would call a key player, they are a resource player so that when a proposal comes in, if there's any question as to whether its maximizing what should really be done here or is it just picking the low hanging fruit, these are people that can answer some of those questions based on what they've seen both in the local market and around the area. Once again in the book that you received earlier there's quite a write up on them. Jodi Hoffman and Hoffman law, I know you're experienced with them. She's done some work for the City of Murray and we feel very fortunate to have her experience on the

team. She helped draft the RDA legislation throughout the number of years I've known her and I know she was very active up at the legislature this year. SO that's our team, we want to just close and then get to your questions. We believe you've got a great site, but it's a one time opportunity. We love the fact that its one station off of surely one of the crown jewels of the valley and that's the new IHC campus and that's going to spur a lot of development and a lot of interest in housing and office. You've got retail at the Pointe on State Street, so retail is something there that needs to be studied, but with the area along State Street and eventually looking down towards 300 West and the freeway off ramp we believe in taking an approach that isn't project boundary specific, but looks at building a community. So if we need to look beyond the boundary over to 300 West because that's where the Fireclay road would have to hit, that's what we want to do. We are definitely results oriented. We're not looking at this as a study, you've got some very good studies and they need to be digested and we need to put them into the scope of what your vision is, but we are an implementation team, a lot of our background and all of our desire on this is to see something get built that the city is proud of and that endures. This is not a short term effort, this is a long term commitment for the city of Murray. We see ourselves as really becoming your adjunct staff. We're the people with the expertise that your staff and yourself can go to whenever possible and we have a definite track record of success that I hope you've seen throughout this. Once again it comes back to that vision at the center which puts the city in the center. All of our work revolves around making that vision happen and making sure that what you think can go there is market based, market tested and is balanced with what the individual land owners want, because you do not own the land. So a partnership is really the key to making this work. And partnerships work very well when there's mutual respect all around the table. We hope to be part of that group that brings respect to the table. We know there are developers ready to go out there, we also know one of the key issues is infrastructure, you need to know how to get over TRAX and how to get over the UP and get back down to 300 West on Fireclay. We have to make sure that the water and sewer is adequate so that two years from now when a third or fourth proposal comes in you're not limited, and yet at the same time things have to happen to that the land owners and developers that are currently well invested in the area aren't sitting around waiting for their opportunity and watching their project become less and less desirable because of timing. So getting the developers into the ground in a very sensitive way that meets your vision is something that we know is one of our main goals. We're ready to go.

Mayor Dan Snarr

It all comes down to.. Marilee, I guess you're the finance person. In the immortal words of Tom Cruise, show me the money. This is really what it comes down to, because everybody that comes in here, if we don't have a way to finance this and put it together and be creative in acquiring those monies, know you, nobody wins and we want this to be a win/win situation for everybody. I said this before, but every time I sit here and after eight years of being the Mayor I understand how we do things, its money. So you've got a tough job and you know how to do it right.

Marilee Utter

Yes, no problem. You know Mayor, it's a partnership. This is definitely going to be a public/private partnership and you can get money, I've spent a lot of years in the finance business and Jodi will be a great partner in this too, because there's new tools that are ready to be

used, but you've got to have a product to sell. You've got to have a project for the community, you've got to have a project for the developers, and then there's lots of tools out there that will help bring money to the table. If you don't have the product in the first place, you know you've got to have the source for repayment and then we can finance it and structure it in lots of fancy ways.

Mayor Dan Snarr

We understand that, we just want the best deal possible.

Gerry Tully

We wanted to make sure we brought to the table a balanced team that spanned everything from concept to completion, because you don't have time to go out every two months and look for a new component to answer one question that came up. I know we handed out, I don't know if any of you have this little booklet on transit oriented development, Marilee and one of our partners from Concord Group were on the list of people that wrote this for ULI. A good portion of our team comes out of ULI which is the brain trust of how to get things built in this country if not around the world. So we have a lot of resources that we can tap going forward if that's what we need on the finance.

Jim Brass

Have you looked at the site?

Gerry Tully

Looked at it, been through it.

Jim Brass

I know you were involved.

Pat Griffiths

The public partnerships, bringing in the other governmental entities, so that we're all working together. What's your philosophy on that, and your experience?

Marilee Utter

You're absolutely right, so often you overlook the layers of jurisdiction and so on that have to work together and that goes to a big part of the vision isn't just your vision, its got to be the other people on board, and they're going to be interest in what the pictures look like, but they're also going to interested in what's in it for them. There's also regulatory things we talked about, just working with UDOT for instance is huge and often overlooked. The county you have to work with as well, the State if we're going to use any of these financing vehicles, we've got to get them in line as well. I've worked on projects where we made mistakes, we were all focused on the city, the city was on board, we were off and running we thought and just ran right into a door and so hopefully that's a mistake we won't make here too.

Gerry Tully

I spent some time with Mayor Corroon last week and this was one of the issues I discussed. He's a big fan of transit oriented development and of quality growth. Before he became Mayor, he

was a developer around transit and he's quite aware, I know your staff has made him aware of the issues involving whether or not there is a joint RDA or an annexation. The comments I got back from him were I'm open to all discussion, because I think the solution is beneficial to all. I know part of the property out there is owned by UTA, part of it is owned by Salt Lake County. Salt Lake County doesn't need to be there, UTA is looking for the best use of the investment in the land that they have, which makes them available for joint venture partnerships. John's got an excellent working relationship with UTA, I sit on a review panel for the Federal Transit Administration reviewing new starts guidelines for how the guidelines to groups like UTA to apply for money. So I'm well aware of what goes on there. It's all those groups that need to be brought in. I know 4500 South is scheduled to be widened at sometime in near future. That's something that needs to be kept in the mix throughout. As Jon mentioned earlier that State Street, you know anytime you're working with UDOT where you're not working with a road controlled by the city, you've got to make sure you know the rules and what can be done and what can't be done.

Jon Nepstad

I'm just going to add, you asked about how public/public partnerships work in our philosophy. I always believed in transparency early on. The worst thing you could have is your neighbors, or whether its businesses or communities read about this idea in the paper and that we've approved it. Engage them early on with the ideas and concepts and yes regulatory issues as far as the railroad, UTA, UDOT, the county, they're key.

Pat Griffiths

Then we have the Milcreek Township to deal with; do you realize that, too?

Jon Nepstad

And there's always issues with traffic, that they're going to do this and they're going cut through, you know all those things we deal with on a daily basis that you don't want to, so we will.

Gerry Tully

And down to the small things, there's the creek running through there which brings in a State level of review and at PSOMAS we have a team in the office that deals with streamside restoration. We're currently working on a number of canyon projects, so we need all that and I want to just bring up you can't afford to miss any element because you've got some investment out there, both private sector and public sector that they need to move forward in a reasonable if not rapid manner, but they need to move forward in a manner that's consistent with your vision, and we can't afford to have something creep up at the last minute that knocks everything off the track.

Jim Brass

I think that's the point is we have a lot of people pushing to get moving and we have a vision and that's why we're going through this process it to make sure the vision gets followed. Have you read the plan?

Gerry Tully

I've read the plan in some time past, I wouldn't say I'm fully versed in it right now, I was involved in a lot of the charrette sessions that went into bringing about the plan, I've reviewed several drafts of your TOD Ordinance. We know you have a new traffic study that's just come out that John has picked up a copy and we know that GSBS has written some design guidelines and all of these things are well placed and we need to focus all of them together into how to implement your vision and how to implement the vision in a way that is developer friendly but with city focus and guidelines as the ultimate goal.

Jim Brass

One of the things that you pointed out in Denver was how much the price per square foot had gone up as the project progressed. One of the things we have here is this hasn't been done in Utah before and a lot of concern about what we can put it there and will it support retail and will it do this or that. And yet every time we turn around land values in this town are creeping up, creeping is probably not the right word, 23% increase is not creeping. But with that hospital one stop away, again we don't want to sell this property short. And so do be familiar with the vision that we've put down because I think most of us are strongly married to that concept.

Gerry Tully

I think one of the first things we would insist on is getting together with you in a work session to make sure we not only understand the vision but we make sure we're all communicating what the vision is terms of how it evolved and what's the next step.

Jim Brass

And that's fine because again, we're not experts and we probably missed something, and that's why we're looking for guidance that isn't directly involved in the building process. Any other questions?

Pat Griffiths

Do I recall you said you've had experience working with brownfield sites as well.

Marilee Utter

I love them. I go looking for them.

Gerry Tully

I built on a brownfield where I can tell you my excavator called every day and said do you want to see what I found today and I can tell you the answer to that question is no.

Marilee Utter

They're a great way to get money. When you say it's about the money, there's so much money out there for brownfields.

Jim Brass

Financing this project is of concern to us to get started. Well we've got to put sewer line in immediately, regardless of what goes in and how it goes in. To get beyond 400 units of residential we have to extend Fireclay. Those two alone we're looking at 6 million dollars.

Gerry Tully

You asked if we'd seen the wite and we all met at the site and before I could color anybody's opinion I think everybody arrived at the conclusion that infrastructure is the number one issue that needs to be tackled.

Jim Brass

Mostly because there isn't any.

Gerry Tully

That needs to run parallel with getting the architectural vision so that you're comfortable. Let's say that I know Mike Brodsky has some property out there and he's got a proposal going forward and we have to make sure that that's meeting the vision and moving forward at the time we're coming up with the answer to the infrastructure, because you can't afford to have one developer go in that blocks an extension of a sewer line or the line going over the tracks, or under the tracks.

Pat Griffiths

Actually we've talked over the tracks instead of under.

Gerry Tully

One thing we looked at, at this location, is where else can you find 100 acres in the middle of a valley that can be redeveloped because most everything out there is underutilized and its connected to two medical campuses. When you look at the number of employees that go both ways, whether up to the University Medical Center and Primary Childrens, or the VA and then down to the new IHC medical center, we know that you can't afford to lose opportunity here. This has to be maximized to the benefit of the long term vision of the city.

Marilee Utter

And it has to be thought about as a complementary character so that it is a different place than you've got at the next station where the hospital and everything is. This maybe becomes the neighborhood where you want to live if you can work there or if you're a student or whatever. It has a whole different character so its not cannibalizing the development you need to do there. They both win that way.

Jim Brass

That's one of the things that we're looking at because we feel that people who work at the hospital will want to live in this area. But we also still want to see the retail and not big box necessarily, maybe along State Street, but small you know restaurant, café, bookstore, whatever specialty type retail.

Gerry Tully

Bring the people and the density and make the place identifiable and the retail becomes more viable.

Pat Griffiths

I remember once expressing a vision for that area and I remember Gerry Tully said “you politicians are delusional.” To which I responded, no we’re visionary and I’m sticking with that.

Gerry Tully

I think at the time I was working on the Simpson Steel site and I was running into all the problems you’re running into today, the water, sewer, the access, all the things that it couldn’t happen. But you’ve come so far since then in terms of we’re not talking about 20 acres now, we’re talking 100. You’ve got the RDA formed, even if the legislature keeps moving the target. So delusions sometimes become reality.

Marilee Utter

Well one of the first things I have is if just looking around the site last Friday, it seemed that maybe I wanted to know, can we move the boundaries at all of that site like to get to the freeway interchange, that’s such a logical move.

Pat Griffiths

The boundaries have been defined by our plan.

Krista Dunn

It wouldn’t be moving the boundaries of the RDA, it would be looking at development outside the RDA, and including that as part of an overall project scheme outside the RDA.

Keith Snarr

Under the community development track, we can move that over that direction and do a similar kind of thing. I’m also meeting tomorrow with Dale Carpenter and Anne Ober of the Salt Lake County Mayor’s office who are looking at there’s a possibility that we can cooperatively take control of that, at their request, of the portion of Salt Lake County and bring that as it were into the city or into the RDA. So we’re looking at some avenues to make that happen.

Jim Brass

We agree that the area along 300 West, North of 4500 South could stand a little tweaking.

Gerry Tully

The opportunity exists, because this is not a scoped proposal, but really a qualification statement looking at bringing on a team so as your needs change, we decide whether you want us to look at that.

Jim Brass

And as you said, phasing, interesting concept. That’s really an excellent area, it’s one that we hope would phase in as this project develops, that one would build on another. But to put it into an RDA, we’d like to see that part of the tax increment go where it needs to go, to the City and other taxing entities, and we’re hoping that indeed does happen.

Gerry Tully

Well, the key aspect of phasing is the quicker we can get some portion of this into a structured development, the sooner you start generating that TIF. The other curveball that you had to throw

at us it that you have a large portion of this owned by the LDS Church in a tax-free state, and that's another issue. So we are familiar with the subtleties that make this as we said in our presentation, very complex.

Jim Brass

Any other questions? We stand recessed until 2:00 pm tomorrow, May 16.

The meeting was reconvened.

Presentation by Edward Probyn James

Edward James

I have had several firms, I've been an architect for over 25 years, and I've been involved in planning and the study of regional planning and urban design for the last 40 years. The experience I've had has been varied and mostly in the field. I've been a general contractor in Arizona for commercial and residential. I'm a founding member of AICP. I stick pretty much to accepted planning principles. This is a perfect situation to start off on a whole new community, a whole new neighborhood. When Keith Snarr contacted me about this opportunity I thought, what could I possibly bring to the city, and I've thought about that. I felt strongly that what I could bring was my in the trench experience in dealing with mixed uses and its relationship to transportation which I understand is the main focus of this effort.

My experience started back in the City of Los Angeles when I served on the Los Angeles transportation task force. I was on that task force as young pup with all these great transportation engineers that were creating these mass transit lines and they asked me to come up with urban design concepts on how land use would interact and relate to whatever systems they were proposing and what would happen at terminal points. That led me to a series of exercises and just recently when I was the head planner for the SNRPC which is South Nevada Clark County I was leading a group of planners down there come up with strategies and principles on how transportation and land use relate to air quality. We developed a computer model that would help make some policy decisions, during the process of that, and meeting with hundreds of people we came to the conclusion that there's also a definite symbiotic relationship between transportation and land use and you really can't go ahead with transportation systems without also bringing in land use with it. That is my experience so far with transposition and land use. I have a strong feeling about this symbiotic relationship. There are certain things that work and certain things that may not work. You can historically look at our nation and other countries as to what has worked and what has not worked. I believe it would not be good for the city to reinvent the wheel or try something that doesn't work. So I laid out an approach in my letter to you and I don't want to take your time to really go through those items but there were eight steps or processes that I would follow for coming up with what I think you really need and that is a toolbox. This toolbox should have as many tools as you need to implement this project and as I see this project, it would be a neighborhood that is new in the city, even though there are existing residences in it, but there's vacant land, there's existing industrial, commercial and residential. What we'd be doing is creating a whole new village in the center, oriented to that transit stop and they would have an interacting relationship, which means that there would be some phasing considerations of some of the uses now in use there might be phased over to other uses. You

certainly want to consider higher density in the area in terms of getting more people into that to create this village effect.

I do work with others, I don't work totally on my own and I build teams as I think they should happen. I have an architectural firm in Nevada, it's in Las Vegas because that's where all the action is, and I put a team together to handle those kinds of activities down there. For this particular project I've identified two people that I've known for a long time. George Shaw who knows a considerable amount about zoning ordinances, design criteria and development guidelines and Steve Erikson who is a landscape architect and is a Murray resident. I thought that would be a perfect team to come up with this toolbox that I would offer you as a consultant. Now what would be in the toolbox? There would be some traditional things, certainly mandatory items such as zoning ordinances, overlay zones, those kinds of things. There would be suggested tools such as guidelines where the city suggests to a potential developer or to an existing land owner that we'd like to do something different on their property. Another tool that comes to mind is a set of guidelines for you to help you evaluate what comes before you. It's a little different than just having a set of guidelines that says you can't do this, or you have to do this. But it's a set of guidelines that help you really evaluate the quality and character of the projects what will be coming to you. There are certainly other tools such as incentives. One of the greatest tools you can offer a developer is a fast track process and maybe this can have a unique fast track process built into its components. Once again I appreciate the opportunity to come speak with you. I am a man of few words, but when I say them they come out with fire. If you have any questions I'd be happy to answer them.

Pat Griffiths

You mentioned some tools, have you read our TOD ordinance and design guidelines?

Edward James

I've read most of the design guidelines that were on the internet. I haven't gone into great depth with what your existing design guidelines are, and those can certainly be incorporated like I mentioned, we would not want to reinvent the wheel, but I think there has to be some specific customized guidelines for this particular project if you want it to really work with transportation. Its one thing to just have a transit stop and hope everybody will take the transit stop. If you really want to encourage that is transit oriented then you don't allow parking or you don't allow a lot of parking, then when people move into the area, they're the kind of people that would first say, yes I use public transportation and I'll use this.

Pat Griffiths

We spent considerable time studying and trying to put our ordinance together and I think that we've probably already achieved some of those steps. I think definitely we have.

Jim Brass

In the ordinance we do limit parking, but we've also found that in other cities where they've limited parking it becomes a nightmare, that's a delicate balance that we're looking at and would hope that whoever we choose understands that too. You can't carry your TV home from Wal-Mart on TRAX. It is the balance that is difficult to achieve.

Edward James

Well as I mentioned in my letter one of the important components is the stakeholders, those that are there now that own property and identifying their desires. What you want to do is have the main essence of the neighborhood saying yes we have public transportation that is available to use and we'll use it.

Krista Dunn

Can you talk for a minute about your experience in working with TOD's.

Edward James

I haven't had any direct experience. I'm a hands-on urban designer, and I don't start from a closed structure. I'm assuming that you have not really come up with specific verbiage as to what this neighborhood does and how it acts and what makes up the neighborhood.

Jim Brass

To some extent we have. We've painted broad strokes, we don't want to say we want this shop here and this building there, but your design philosophy is kind of what we're looking at with ground level shops with residences above, so that is the vision that we have, particularly within the first quarter mile radius of the station. Because all the studies indicate that people will walk a quarter mile but after that you might be pushing it.

Edward James

I'm an architect right now on a project in Sandy where they have that long centennial park that's in the middle that by the way I almost lost my life designing when I was planning director of Sandy. They wanted a mixed use and they wanted a retail office facility and storefront on the ground floor with residential on top and that's what we're involved in. The fortunate thing there is that there is a relationship between the architect, the client and the landowner. Your position is a little bit different because here's what we would like and we recognize that you own this and this, now where can we encourage you to do the things we want to have happen.

Pat Griffiths

What experience have you had in public/private partnerships, and public/public partnerships?

Edward James

I've had experience; I've been a planning director in several municipalities. I've been an executive director of a regional organization and there's a continual relationship between private and public resources and stakeholders. One of my primary functions with the SNRPC was to identify private resources and have them work together with public entities to develop new directions.

Pat Griffiths

What's your experience with brownfields?

Edward James

I'm sorry; I'm not familiar with that term.

Jim Brass

We have some ground that's contaminated.

Edward James

Ok, I've been an environmental consultant in California, I have handled level one, two and three environmental issues and I was a consultant in Salt Lake City last year for 50 acres of industrial which was a superfund site and I laid out all of the structural plans that are needed, the implementation plans. I love working with the EPA, they're a wonderful group.

Wikstrom Economic and Planning Consultants

What I would like to do is, you I know have seen a wide variety of approaches to the implementation of the Fireclay Redevelopment Project Area and what I would like to talk about... I believe ours may be unique among the ones that you've seen, but if your goal is to move quickly into implementation, to focus your resources, to work with multiple property owners, to have accelerated absorption because you've got more going at once and to achieve your public policy goals in the area then what we think what you need is a representative of Murray. Not someone who's going to develop it for you but someone who is representing Murray's interests, who has current relationships with property owners and developers, who has working knowledge of the plan, the transit oriented development overlay and the desires and design objectives for the project. Widespread experiences with RDA's and an understanding of flexibility. We think that it is important and in the documents that we've produced for you we think that we laid the groundwork right up front for you to have a successful achievement of your goals and your vision for the area. But we also recognize that it needs to be flexible, it needs to be something where as developers are bringing proposals to the city, those proposals can be advanced and not made overly complicated by the process. So what we want to do is build on the existing work to assure you the quickest results. The critical tools are already in place, you have the TOD overlay, you have the design guidelines, you have the general project area plan and it was purposefully general. It was conceptual and it was really just to express the kinds of development concepts that you would like to see occur in the area. I believe that was for a reason. I don't believe that we need to redo the plan I think what you need to do is work with the development proposals as they come in and as we solicit development proposals to assure that your vision is reflected. There was a reason why we made that general. I am committed to the success of the Fireclay project area. It is not something that we take lightly. I will be the person that you will work with. The other person on my staff that you will see is Christine Richman who is the former director of community and economic development with Midvale and Christine has negotiated a number of development agreements, I have negotiated a number of development agreements, we know what the RDA needs, we want to meet your needs and we don't want to spin a lot of wheels, money and time redoing the things that you already have done.

What we'd like to do is leverage off of your existing resources. We will work with the RDA with Frank and Jody, with public works on infrastructure, with community planning on reviewing the plans and reviewing the plans for you in order to get these projects done. We also offer other efficiencies. There is a great deal of ease of coordination. We are one firm, we aren't bringing you a large team that is going to require a great deal of coordination efforts in project management. You will have no costs of duplicative services; we are going to be efficient in doing what you need when you need it done and not before. You will have no travel costs and I think the other thing that I think is really important is that you will have specific deliverables from us. We are not proposing to come in and redo the plan. We think the plan is sufficient for you to move forward with development proposals. What we want to do is initially prepare a plan implementation document and we want it to be short. Its just going to be what are the steps for a maximum five year implementation plan for the project. We would analyze the development proposals. This is what we do, we review developments for feasibility, for operating feasibility, for financial feasibility, and funding. You are essentially going to be a funding source for projects. The fact that we have done underwriting of investments in real estate for 25 years is going to allow you to have a great deal of confidence and comfort when you enter into an agreement that these people are real, that the investment they're making is supported and that it will end up in a successful project. We will review the plan goal, the area plan goals, design and implementation policies, every one of the development proposals has to stack up against those, and of course the area budget. We will offer you ongoing representation during negotiations with developers. That is again what we do. We have negotiated development agreements, we have negotiated real estate transactions and real estate deals. I have personally negotiated them throughout the country. We will provide implementation oversight, we want to set it up so its going to be as simple for you and your staff as possible. So we would like to offer that implementation oversight. We will provide you with monthly implementation reports, particularly in the initial stages and we could see that dropping off as the project is getting underway, and revisions to the plan as needed. I don't want you to believe that that is a hard and fast document and it cannot be changed, absolutely not. If there is something in there that seems to be proving to be unworkable, we want to address that quickly because the whole goal here is to get this project up and running, the public investment secured in infrastructure and a successful project at Fireclay. I'm going to be very brief so I'm going to sum for you right now that no other firm can offer you the specific expertise in real estate development, planning, financial and fiscal analysis, RDA's, project coordination and management, local knowledge and expertise, established working relationships with the City, the property owners, and the development community and not least but last our commitment. That is very simply what I think sets us apart from the other proposals and teams that you have seen. With that I would be happy to answer questions.

Krista Dunn

Karen, what do you see as a timeline for this to come together?

Karen Wikstrom

I really think that you should be moving towards implementation. It's going to be difficult because we're in a construction season right now, but to the extent that we can hit this construction season, with infrastructure, or at least get everything set up so that this thing moves forward at the beginning of the next construction season. We have the remediation issues with

Hamlet Homes piece, we have the issue of Fireclay and who's going to be building it and how you want to structure that deal, whether you're going to enter into an agreement with a developer or do it yourself. Those things I think have to just really be put into place quickly and our goal is to get all of that in place as fast as possible. I really mean it when I say we want to do a five year "soup to nuts" process for this thing to be well underway, developed and bring people coming in and out of the station, who will live in there who are working there. I'm not proposing that it's a five year process that we do, I am proposing that we jump on it so that this thing gets underway fast.

Krista Dunn

What's your experience in working with public partnerships in terms of funding with State and Federal government in terms of finding resources for these types of things.

Karen Wikstrom

Let me give you an example of what we did for the Gateway project in Salt Lake City. We secured a \$200,000 Brownfield's grant and then moved forward with the Brownfield's evaluation, but our point in doing that was to give comfort to the property owners and subsequent developers that they could move forward with the development. So we wrote the grant, secured the \$200,000, we worked on the plan, we worked on the blight study and worked on the Brownfield's assessment. That's one example of how we've worked into federal resources. We work with the State all the time, right now we're putting together a deal for an EDA in Tremonton that we hope will come together in a land speed record of about three weeks, but we're working very, very closely with EDCU on deal structure and looking at how, it's a food processing plant and five hundred jobs for the town of Tremonton. It's something where it just kind of is a natural course of events to try to find these resources, I don't think there's anyone who you're going to be talking to yesterday or today who understands the financial limitations to this project and when the funding is going to occur and how it can occur and I think what we want to do is provide as much creativity as we can to get as many resources to this table as fast as possible.

Krista Dunn

Do you see possibilities of Federal funding helping this project?

Karen Wikstrom

Well, I'm never going to say never. When we did the Bingham Junction project, that was an EPA pilot program grant. I could see potentially some assistance maybe coming through the environmental side, where dealing with UDOT obviously on some of the streets and I know one of the things that we want to do is to work closely, moving into the implementation of your transportation plan to get that piece, the connectivity through the area on Cottonwood street funded and advanced, so that would be an area where I think we would be looking both to State and Federal resources, so I think what we want to do is to again identify any pocket whether its hazardous materials, whether it's streets whether it's other infrastructure impacts and go after it quickly.

Pat Griffiths

What about the federal transportation agency.

Karen Wikstrom

Yes absolutely, its something where what we want to do is just make the case and this is a fabulous TOD area. You know how high I am on the TOD possibilities there. I think that the timing again, we talked about time frame, we don't want to miss the window that interest rates currently provide, we don't want to miss the window that the IHC investment is going to afford, we really want to be complete and moving forward with those project at that time. And interest rates are going up, we are going to see a cool down in the housing markets. So the sooner we can start seeing housing development the better.

Pat Griffiths

Maybe about three years ago we had a visit through Envision Utah of representatives of the Federal transportation team, perhaps we could follow up on that for a funding mechanism. Because I think they were impressed with what they saw.

Karen Wikstrom

The other thing we can build on, I have to ask Alice about this, but at the ULI conference last Friday, the 10000 South station area plan which we did was the subject of a workshop by the ULI to talk about how to get the development community involved and moving forward on that project. So to the extent that we can piggy back on that process as well, I think that's going to be very advantageous. You know, we're talking about 100 acres, multiple property ownerships and its not... I don't want to say to you this is something where I will go get for a city and bring in one master developer for you. I don't think that's how this project's going to work, but I also don't think that's the best way for this project to work. I think working with Hamlet, with other developers and property owners and have everything coming together simultaneously and hopefully in a coordinated fashion so its not cannibalization from one project to the next. I think that's how this project is going to move forward and proceed. I don't think it's something where you have to go through the process of trying to go out after national folks, we have great development companies here, if a national person is interested, great, but the statute does provide for property owner preferences and I think we want to proceed with that and assume that these developers will move forward and move forward very, very well.

Mayor Dan Snarr

Karen, you know I've looked at this project and I keep thinking to myself, we've got to have the money to finance it and it sounds like you feel comfortable in saying we can find the resources, what actual resources are available, not fluff resources, so you're not trying to tell us that there's monies out there that aren't out there, but the whole thing is we've got landowners over there and we've got to create connectivity in that site and that's what got to be fast tracked is how you're going to align that road in cooperation with the people that own the land and drop it down to third west and get everybody to buy into the project on 300 West and get Union Pacific Railroad who owns that corridor to say yes we're willing to work with you and they have to understand that time is of the essence for everybody and them with making sure that we can go under their line if we have to expand, according to Danny, we have enough downflow there we can flush the toilet once we get it down to where it drops down to the 300 west, so to speak. Because it drops rather radically, and it will push it through there. That is really critical, if this doesn't happen, then the project doesn't happen and those are the things we've got to do.

Karen Wikstrom

Another example from the Gateway is when we did the Gateway visionary study the first thing we said was, wow we are losing a lot of real estate under the viaducts. We sat around it a meeting and said, wouldn't it be great if we could shorten the viaducts and relocate the rail and everyone said that will never happen. Well it did. We worked with Union Pacific and we worked on that rail consolidation and we worked with every one of the customers on that line to figure out how they could be served in an alternative route, how we could lay in the spurs, how we could time service delivery and that was done in the middle... they were at 80% design on I-15, and they weren't going to tolerate any delay on the I-15 construction because of the Olympics. It really can be done and I really do think that what you do is you establish that as your goal, you know it has to happen quickly and you get everyone to the deal. We had UDOT at the table and we redesigned those viaducts, we worked with Union Pacific, those lines have been realigned and I think it's made a tremendous difference for Salt Lake City. I see great parallels in this project as well.

Mayor Dan Snarr

After you redesigned the rail corridors, because I love the way they drop off much quicker and they they've done that and it opens up more of the city visually and its easier to get in and out, but did it save money by shortening the length of those off ramps.

Karen Wikstrom

No, that was never the purpose. But what I will tell you is that over the long term for Salt Lake City, that real estate is going to pay back every dime that was spent or more. It will be a big return on investment.

EDT

Jay Bollwinkel

We're excited to be here, I'm Jay Bollwinkel. Let me introduce the team. I'm Jay Bollwinkel from MGBA a landscape architect and land planning firm. To my side is Soren Simonsen from Cooper Roberts Simonsen Architects, you're probably really familiar with them, they've done quite a bit of work around. Bob Springmeyer is the same in economic developments with Bonneville Research and Brent Herridge with Herridge Associates and does marketing, branding, research that way. We're excited to be here, we'd like to get into our presentation quickly, this is kind of how we've set up our organizational chart as far as how we want to work with you. We believe in a real vertical integration with the clients we work with. We're not the kind of a team that you do this part then this part and then this part, you do them simultaneously so the economic guy, the design people, you have the marketing and development people together so that as you see a project you can tackle problems very quickly and efficiently and get right to it with out clients. That's how we work, this is our team, the EDT team and consultant developers we'd like to help you work with a developer on the team. We also feel like we're a part of the staff also. Here's the group, I introduced them briefly, you can see economics, architecture, marketing, landscape architecture planning, that's the EDT team you will be associated with. Plus we have our offices that support us. Here's some of the big things that we think we can really focus to bring as aspects of our group that'll help you all out. Urban design

is one of the things, and I know you've already had a lot of urban design in your project, so one of the things we'd like to do is take the urban design, add it to the economics and the marketing that's been there, combine them all together and have a project that can be done, well done. Community building is a big part of our process also to involve the community. There's a lot of neighbors around this, it's integrated, it's old, it's an established part of the community, so community building is big. Have them as part of the project, and have them as owners in the project and to feel part of the process is very important and we feel like that's also a vital part of our process. Public/Private partnerships, we like to build them, we like to create good vision, we like to take your vision and make sure that it comes to pass.

Soren Simonsen

Let's take a few minutes and talk about the site. It's nice being on this side of the table, now I seem to be on that side an awful lot. I'm learning a lot from my service on the Salt Lake City Council. As you know the history of this team and the history of the individuals that are working here, we all have great belief in building on the vision of this community to do great work, many of us have worked hand in hand with your community and particularly with this site for a long time. There have been a few fits and starts, but there's a lot of work that's been done on the ground to talk about the vision, and as Bob mentioned and Jay mentioned we really want to take that vision, use the good planning and the tools and ordinances, the design guidelines and the things that you've crafted and now implement and focus on the results of creating a great neighborhood around a light rail station. We have as we've gone through and looked at what you're asking of us, the scope of work is a little vague and it's probably okay that it's that way, because you're looking for us to help define what it is we're going to assist you with and so part of this project, if project if even the right word is to help you identify issues, solve problems, work as an extension of City staff and RDA staff to focus on results, which is creating a great community around transit. We're going to take you through a series of slide here to talk about how we can assist the redevelopment agency and the city staff and the community with solving problems and creating a vibrant neighborhood. There are as you know, already elements of a neighborhood, you've got a small neighborhood along Cottonwood south of 45th south right in this area, but as you can see it's surrounded by a lot of industry, heavy industry, light industry, manufacturing, and so I think first and foremost one of the things that we're interested in is how we can knit the sense of community back together in this part of your city. We're looking predominately at this project area, the Murray Fireclay RDA Area and a big part of what's been talked about there and the visioning that's gone on in the past is how do you create a really great neighborhood with mixed use with all of the elements of walkability of economic vibrancy, of creating a great neighborhood, so there are a number of different elements that will come together. First and foremost is solving some of the transportation issues. There are kind of broad transportations throughout a large area of the city, there are also very specific transportation issues within the redevelopment area itself.

On this we haven't really, we just threw out some alternatives here to take a look at. You know the road to nowhere is almost done, its going somewhere. One of the things we've discussed and I'm sure you've all come across the same results, is the project needs to have some connections. Right now you can't do really the mixed use element without something either north/south and east/west. These are hard connections, but I think working with the neighborhood there we can work something out and I think it's about knitting that neighborhood across to Fireclay and

working with them and helping them understand what the city's desires are, what their desires are, bringing it all together and bringing the transportation in to connect it from this side to this side. The east west is also an important connection that we need to make in the site. Its critical that those things are found out.

You know as you look around the valley in particular, at really great neighborhoods, we have lots of neighborhoods historically that were well served by transit and you have some in your own community here, historic neighborhoods that were connected to the trolley system that used to serve the entire valley. Even in this small neighborhood right here, one of things you notice is the scale of the streets, the blocks. One of the things that becomes really important in the redevelopment area here is how we break down the scale of that into a series of blocks and streets that create the identity in a neighborhood, then how do you create the right framework of uses to fill in and create a vibrant streetscape on the street. We think there are some essential elements, one is making north/south connections to 45th south, to Central Avenue, perhaps through and in between the different rail lines, but we think also some east/west connections are essential as well and those are the ones that become a little more challenging because you have to cross those tracks. There's already an at-grade crossing established here, not likely we'll get another at grade crossing on the Union Pacific line, so we have to look at other alternatives. There's currently a crossing at Central Avenue, but it's not really significant enough to handle additional traffic and there's also a crossing at 4500 South underneath both tracks, but there's not a connection to 4500 south from the project area. So solving all of those transportation problems becomes a real key part of making this whole neighborhood work. The next part of what we think we can offer to you is helping identify how the RDA can become a partner in the redevelopment, there are lots of different opportunities for the Redevelopment agency to get involved with. Part of that may be assembling some land for redevelopment initiatives, actually putting a parcel together, putting out an RFP, working hand in hand with a highly qualified developer to make that happen. We've identified on this map a couple of possible opportunities. It's a little unfortunate that probably your most prime parcel, the one immediately adjacent to the station is a fairly successful manufacturing operation. This may be an opportunity for the RDA to get involved, because until you can solve that problem of having your prime piece of real estate next to the station developed with transit oriented uses in mind, it really will continue to be a roadblock to having a really successful implementation of the project in this area. So assembling parcels elsewhere, helping to relocate this business to another more suitable location that provides them better access to transportation systems and frees up a real key parcel to making this whole puzzle work is one are to look at. Another one is property that's owned by Salt Lake County that's mostly used for vehicle storage and service, but probably not essential uses on the property. That's probably your second prime piece of real estate right there and being able to tie up properties there on a key intersection of Main Street and 4500 South where it becomes visible not only from the street but also from the light rail station and can begin to tie in access to the rail station from the east, those become real key parcels to look at possible acquisition and redevelopment efforts as a specific project parcel.

The next area that we see RDA involvement includes specific projects aside from acquiring properties, but looking at the infrastructure, and we see infrastructure probably including to major elements. We've already talked about the transportation systems that have to be able to function to make this a workable neighborhood development and so that may include crossings

over 4500 South, crossings underneath or over the Union Pacific railroad, perhaps working with Salt Lake County and developing a viable solution for Central Avenue, or a combination of all of those. Aside from the transportation systems, one of the other essential elements is the open space and green space and open space which communities and redevelopment agencies are often involved with. Now we know that you don't have some of the tools for path and trails because the legislature just took those away, but looking at how development of trail system perhaps through the development of kind of the bricks and mortar, the on the ground stuff, working in tandem with property owners along the Cottonwood Creek parkway area and developing green infrastructure, pedestrian links, trails, parks and those sorts of things, which are amenities that serve this entire neighborhood, this entire community in general we think are also some real key areas to look at. We're not necessarily advocating or recommending any of these as a specific project, but simply suggesting that we understand the role of the Redevelopment Agency looking at projects and looking at parcels, and we will work with you to identify with the funding structure and the financing that you have available the best project to take on and tackle that will the most "bang for the buck" if you will, in creating the right environment and scenario for other private development to come in.

Jay Bollwinkel

A couple of things that are going to influence the project, and we've already seen how impactful the hospital is, property values around this area just going crazy, so something needs to happen and planning like this is critical to make sure that that happens in a logical proactive way, if we just wait, developers are going to come through and make those decisions for you. They're connections to historic downtown, connections to the right parcels and making some of the transportation corridors walk able corridors, the time is now. You're hitting it at a great spot.

Soren Simonsen

One other key aspect of this is we know there is some fairly high levels of contamination on what I've always referred to as the Gibbon's property and that has to be dealt with, whether there's participation from federal funding sources or RDA funding to help with environmental cleanup to turn that back into a productive use, that's another area that we need to look at very carefully. Finally one of the other areas that we think we can really offer skill and guidance and participation with the community is with the implementation for private development of your ordinance and you design guidelines. You've spent a lot of time and effort crafting what I think is a very good TOD ordinance, you've certainly looked at other models and your staff has developed some really useful tools for you, the design guidelines that were completed not quite a year ago by GSBS which provide you another tool to really look at the urban design elements and the design elements and make sure that those things all happening as private development proposals come in that they're meeting the vision and the intent that is described in those ordinances. We've been involved with implementation of design guidelines for many many years, I personally have served on three design review committees including the Salt Lake Historic Landmarks Commission and a couple of communities in Utah County, where we've had to implement design guidelines with on the ground proposals. So we'll be looking at landscaping, signage, development of buildings and infrastructure, parking and all of those things, to make sure that they're internally consistent with what the vision is and if there is some subtle final tuning to those design guidelines it may need to happen as projects come and in and they're not necessarily exactly what your looking for, then we may need to fine tune those design

guidelines as well. So we think that this is a really useful area aside from the RDA can do, we can assist you as almost an extension of your staff with doing the review and doing staff reports and providing information to you as a Redevelopment Agency or as a City Council to evaluate the appropriateness of the implementation of specific projects. In the last few minutes we'd like to just spend a little bit of time sharing with you how we've worked on these kinds of issues in other communities. Most of you have probably been to Park City for some of their great festivals or to shop or to dine. We've been involved with the development of Park City's downtown historic district over almost our entire 30 year history. I've worked on many projects there as have my two partners and I know others here have been involved with some wonderful things going on there as well. Projects include both the development of transit infrastructure including our work on the design of the new transit center to infill and renovation projects on Main Street to the creation of really wonderful public facilities like the Park City Library and the Festival Grounds to some wonderful redevelopment projects like the Gateway Center which is at the key entry way into the city, which involve not only the development of a wonderful mixed use office and retail building but also involved the development of a new roundabout to solve some of the transportation issues that they were facing with a very congested intersection. We've also been involved with resort and mixed use development to create a wonderful vibrant streetscape and a real pedestrian oriented, transit oriented community. Now they're primarily served by bus transit, but they've created the kind of walkable environment and the kind of streetscape that I think is what we're after in the kind of TOD that we're talking about here in Murray. Ogden's another community that we've worked with extensively over the years, from creating again, transit facilities and infrastructure like the intermodal hub, we have ongoing work with the commuter rail project right now as part of the UTA team that's bringing commuter rail infrastructure into place that will begin operating within the next two years. MBGA was involved with the development of the plaza of the old Union Station which is now a wonderful museum at the terminus of 25th Street which is an incredible historic and business district. We were involved recently, in fact this project we've just received an award from the Governor today as part of the Envision Utah Governor's Quality Growth Awards. This was the development of an employment center using an abandoned warehouse right across the street from the intermodal station and also included new infill development such as this restaurant which is part of the federal office complex amenities as park of that development. We've also been very involved with the development of 25th Street that involved both the renovation and development with our company as the developer of a number historic properties on 25th Street as well as the design of new infill development such as the Union Square project which is been highly regarded as one of the finest examples of TOD in the Utah region which involved both creating live work development along 25th street as well as town house development organized around internal courtyards. This has been a very popular project, its not full and they're actually looking to move forward with phase two of the project in the near future. We've also been involved in masterplanning for an ongoing redevelopment project in Ogden that involves some of the same elements as we have here. It has the Ogden River flowing through it, its about 40 acres of prime redevelopment property that involves both industrial sites as well as some lighter residential areas in a project that's right now in the assembly process that will create a wonderful urban neighborhood with higher density housing and mixed use development I think very closely resembling what has been envisioned here in the Ogden area. Another project that you probably know well is the Sugarhouse business district. This is my own neighborhood so it's one that's very important to me, but we were involved in the development of a master plan working very

closely as kind of an extension of the Salt Lake City staff in developing a vision for the Sugarhouse business district that involved renovation of the Sugarhouse monument and plaza which is under construction right now, the development of a regional trail system called the Parley's Trail, the development of ideas and vision for the renovation and remodeling and redevelopment of the Sugarhouse business district to the design of new infill projects like the Swaner Artichokes building on 1100 east. Then, of course you know that we're probably one of the foremost TOD resources in the region, having been involved with the development of TOD guidebooks and the implementation of projects like this. This was a vision we created a few years ago for Sandy and this is the implementation of that vision with on the ground projects, this is Albion Village, the second phase of which is nearing construction now. Visioning for South Salt Lake, for West Valley at the terminus of a new light rail extension which is being planned to urban design and development and planning with Daybreak which is a new town in South Jordan. We've also been involved in individual projects like Midvale Junction, Angelina's corner which is near the new 9th south light rail station in Salt Lake City to your own Fireclay Murray station area.

Bob Springmeyer

This is another example of a TOD location; this is 50 acres in Clearfield. We actually moved a rail station a mile and a half to take economic opportunities here, to make Clearfield a more viable community. The main station here actually has a station, business opportunities and live spaces. The other site where the station was originally located has been redesigned as a campus to join with the Freeport Center. This is an example of a UTA spokesperson and the city council and other interested individuals that were involved in the process of helping to move that rail site. This happens to be another example of thinking outside of the box. This is in Riverdale, this was actually a piece of land that was highly undervalued and some people had made a presentation to put storage lockers up on that space, the city felt that it needed to be more valuable than it was. We went in and created a plan that utilizes a campus and an existing company and their headquarters and it combined the assets of this land with the Ogden City Airport where a lot of the growth is going on right now. This is an example of another TOD opportunity in Springville that has been run by this group. This happens to be a 2 million square foot retail property in Houston Texas that we actually manage the image and branding for and we've been very successful this year, sale are up 21% on the property. This is a pocket park adjacent to that facility.

Soren Simonsen

So to summarize, we just want to kind of reiterate some of the highlights, we know you've got a lot of really great teams to select from, I think what we would like to share with you is some closing remarks before we open it up to questions and answers, is to reiterate that this is an integrated team, multi-disciplinary approach because this is the kind of development and the kind of project that requires lots of creative thinking from lots of different sources and it's not just us that will be involved in that, it's all of you. This is a collaborative approach that will involve all of the stakeholders, other developers from the private side as well, but bringing all of the players together in a collaborative nature and using a multi-disciplinary approach of our team to make all of those solutions work together. We are the team in Utah that has far and away the most experience with transit oriented development and not just planning and visioning, but project on the ground. We're working on or have completed projects in almost every community, almost

every city on the light rail that's presently constituted and are working on projects to help integrate transit oriented development in other communities where new transportation solutions are coming. We're very familiar with the project area, we know this community well and you know us well and so we can hit the ground running, we don't have to kind of work through roles and responsibilities because I think we understand the strengths of the council and the RDA and the staff and we can put all those pieces together and work very quickly and effectively towards solutions. The solutions will be community based and that's essential to the buy in. I spent last week as part of organizing a national conference in New Orleans on rebuilding efforts after Hurricane Katrina and one of the things I learned from that experience was the solutions always come from within the community. There has been no shortage of parade of experts coming in New Orleans saying we think you ought to do this and we think you ought to do that, here's our recommendations to you and this is what we think you ought to do. What we learned this weekend is that the people that know the community best are the ones that are going to create the solutions for that community. They understand the political environment, they understand the economic environment, they understand the challenges and nuances of things on the ground that will either be opportunities or constraints, and what I come away from that conference with was that the best solutions always come from within the community. This is a team that comes from within this community. So we feel that we can be a really proactive part of the solution. We're advocates for the City, we're not here to sell our agenda, we're here to take your ideas and your vision and make that a reality and finally this a team that is results oriented. We don't just talk about things, you don't need another plan on a shelf, you have had lots of great plans, you've done a lot of visioning, if we need to fine tune any of that, we can provide that, but really what we need now are an ability to focus on getting things into the ground, making things happen and focusing on results. So that's an overview of who we are and what we're about, we'd love to respond to any questions. Let's get to work.

Jim Brass

You're familiar with the area and the conditions, you understand that we have two developers that own a huge chunk of this land, I guess that's what we're looking for is someone to tie those two together plus all the different other property owners to get some cohesive vision not necessarily everything looking the same but to implement the vision we have. You understand that concept and you're comfortable with it?

Bob Springmeyer

One of the concepts that we deal with every day is what we call a proactive approach and that is that we go in and help you organize the information you already have, we interact with the stakeholders and understand all of their needs and wishes and then we create a way for this to facilitate. This is much more of a way of accomplishing what it is you really want to end up with. Without that you're always in a reactive mode where someone is making a presentation to you of something you may or may not like and you're just responding to it rather than have a firm plan that you're actually to with these developers.

Krista Dunn

What do you envision as a timeline for this project?

Jay Bollwinkel

We'd like to get down with you and see what the project is so we can give you a nice schedule to see what it is.

Krista Dunn

Obviously you're familiar with the ordinance that we've put together and know the parties that are involved already, do you see this as something that's workable in a couple of years.

Soren Simonsen

It depends on what you're talking about as the project. The Gateway for example in downtown Salt Lake City which is only about half the size of this potential RDA area was a project that took about 8 or 9 years and is still in process, so can there be some really significant things on the ground in the next couple of years? Absolutely. Is it a project that's going to be completed in the next 10 or 15 years? Probably not, developing a neighborhood, you look at neighborhoods and how they've evolved over time, the size and the magnitude and the marketability of this project are something that are going to stand a considerable amount of time, but what is essential is that the first things that go set the standard for what this neighborhood, what this community will be and so we will spend a lot of time focusing on that. Whatever the first thing is, getting the right infrastructure and essential elements in place to facilitate things moving forward, perhaps in some respects in a fairly organic way, but in a way that coalesces and brings this neighborhood together.

Jay Bollwinkel

Great synergy to start is important because then all of a sudden that really speeds up the whole process.

Krista

We're very aware of the infrastructure needs that we have over there. There are some great needs and that's why I had the question that I have. Not that the whole project would be complete in a couple of years, but that we're really underway. I think that's the biggest concern for us, is that we can be truly underway and not floundering after a year and a half or two years.

Jay Bollwinkel

I feel like we've brought really the most comprehensive team to help you tackle some of those problems. We've got good expertise here to figure out a lot of those stumbling blocks that might come into your way so that we can get through that quickly, that's the reason we put this group together.

Bob Springmeyer

As Soren says, we're really here to implement and do it right, not a knee jerk kind of start, but really get down and implement your desires and wishes in a very proactive way.

Jim Brass

It's a given that we have to put a sewer line and improve sewage through there before anything starts, it has always been a given that we would extend Fireclay to 300 West, unless you have a brilliant innovative solution to that problem because Central Avenue doesn't work for us, it

would be nice if that bounded the northern part of this, but for that immediate development we need an east/west exit simply to keep our fire department happy.

Soren Simonsen

There's lot of other issues. We talk about a mixed use development, traffic flow is essential to retail development and any retail that goes on there in not only going to rely on people living in this area to sustain it, it's got to be supported by good access and so that's an essential connection to make, both for fire access which is important but also for the viability economic of this district.

Krista

Since you bring all that up, we have probably some real potential outside of the RDA area as well. How do you see you this playing into those areas?

Jim Brass

Jay you mentioned several times connections between neighborhoods existing and new development, I think that's where you're getting.

Jay Bollwinkel

We've identified that corridor between a little bit beyond I-15 and State Street all the way up and down Murray is critical. You already see what's going on at the hospital, if you can't get ahead of that development, you're going to be reactive and it would be nice to extend some of the planning that's in Fireclay down through that corridor. They can't find good parcels to put these big developments for office for medical anywhere because there's so many small pieces in Murray. It really needs to be assimilated, it needs to a master plan, it needs to have some of those things, so they can actually make some of that happen. So it really needs to have a masterplan to have a city driven planning process. If you've got that in place then all of a sudden you can say that this is the place that we want to have this or that. You get it all put together, you get the green space incorporated, you get the walkable element incorporated and then you've got something.

Brent Herridge

Because we're integrated we are especially successful, we've proven this in Clearfield which at the time we went it was an extremely sleepy town that was not forecasted to really take on any growth, but we went in there, we actually looked at the whole town with Bob's eyes economically and with our eyes dealing with vision and land use and created an opportunity for them utilizing both assets that they had on the ground at that time and were not combining to create a greater effect by moving the transit station up a mile which created a synergy there between buildings they'd spent millions on and transportation, 570 million dollars worth of transportation that was going through the town that they could either take advantage of or it goes by every day. But by taking all those things and also gave them 70 acres of prime commercial land to be developed which is extraordinary. But to take these assets that were not well defined and had never been combined together to give them an opportunity. We have created so much energy up there now. Another example of what we were able to do there is that UTA was not happy about moving a commuter rail station after they've done a lot of planning, and so they started throwing obstacles at us. At the very beginning it was figured as high as 25 million

dollars for you out of your pockets to move the station and our last conversation with them which was three weeks ago we had talked to them and planned and moved things around so that the figure that they threw out at us then is zero. We talked them basically into a position that saved 25 million dollars right off the bat.

Jim Brass

How long did that take?

Brent Herridge

About six months and two or three rounds with our own designers.

Jim Brass

I like the aerial; it kind of gives an overview that I hadn't quite seen yet. County property (you mentioned that as one of the challenges or as one of the potentials) does sit right on the corner of 4500 South and Main. I don't mean to put you on the spot, but how would you deal with the County to get that ground?

Bob Springmeyer

That's the prime issue, finding them a place to relocate, working out a property trade, acquiring a piece of property they think they find attractive. These guys saw me leave a meeting a little bit earlier while I was still in my cycling clothes because I rode this morning with Mayor Coroon on the Mayor's ride to work day, but we all have personal relationships up there. But it also has to be a good deal for the County. You've got a redevelopment agency there that's in place, I think this is a doable deal. Is the County going to give it away to you? Absolutely not, but my guess is that if we structured it right, this could be a great deal for the County and a fabulous deal for Murray.

Brent Herridge

We search out something that is more attractive to them than that piece of land.

Bob Springmeyer

I don't think that's a great piece to be located. If I were looking to locate a facility to store and maintain my fleet, I don't think that's where I'd locate it quite frankly, and I think they would see the same thing.

Mayor Dan Snarr

I was going to say we've had some success with UTA, we got them to move a paint booth they were going to put over there on a nice parcel of property that is prime for development as well in the downtown historic west side of Murray. I said this once before and this is the real bottom line of any development and knowing that this is under the auspices of the RDA and we've got to generate money, and in the words of Tom Cruise, show me the money. We've got to have a project that supports everybody's grand vision. That means to somebody's going to have to come to the table and say we've got a way for you to finance all these different elements here. Do you have the expertise?

Bob Springmeyer

Absolutely Mayor. Redevelopment funds internally off of increment and it only works if something's in the ground and there's new assessed valuation. I doesn't come from doing nice plans that go on a shelf, it comes from new assessed valuation in the ground. The wisdom in our legislature this last time took away a whole bunch of your money, changed some of the things we have to do with redevelopment.

Mayor Dan Snarr

Bob, the county piece is one parcel politically we can work our way through that, because we do have people we know and they can catch the vision and it's a good sell for them too. We have some people back here in the back of the room that have spent an enormous amount of money acquiring that Simpson Steel property, but what challenges us there and them and challenges me visually is that Advanced Foam Plastics. Its just really not a good place for that to be and it's a financial juggernaut on how you're going to come up with the dough to move them off and build something there. I've run the numbers, I just don't see how you could replace and ever recoup the cost of the moving something of that magnitude.

Bob Springmeyer

I don't want to be irresponsible and say absolutely yes, because I haven't looked at the numbers and I haven't run the numbers, but quite frankly that isn't a great spot for them either and they know that. They have a hard time getting their trucks in and out.

Soren Simonsen

That's not an easy problem to solve. It's probably the most important problem to solve up front and that's where a lot of our initial focus is going to be and then we solve how do we get Fireclay connected and once we have those two pieces in place we've solved some of the big issues.

Bob Springmeyer

Maybe getting the County in place might be an easy thing, then that makes you a player and maybe makes some of the others go too. You don't always go for the hardest one first, sometimes you get an easy one so you can be a player with the hard one. We're going to have to look at it, but I think the important thing is that we've got the tools here and we know the area, and we're going to be working to represent you.

Mayor Snarr

We've had some developers come in with I think are great visions of what can happen down there and they've been there, done what as far as remediating properties, they understand the process to get that done and the cooperation they need with all the other entities, you have to say am I doing it right to get the sign off, and they're willing to say that we can acquire. It's just an issue of people being in there to mediate the process of getting this done and put together and get everybody to catch the vision and get on the same page and not letting people start to run rampant on what they're going to charge for their property, that just kills projects, particularly when the legislation doesn't allow condemnation, and I understand that and I'm not a great fan of that.

Bob Springmeyer

The issue may be a trade, it may be a relocation as opposed to an acquisition.

Jim Brass

Those are going to be ongoing challenges as we say we've got two developers who own a chunk of ground, but we've got a bunch of other ground that makes up the rest of the chunk owned by a variety of people and that's where I see the value of this choice going in and working that out too and having it all blend in to the overall project. Bob, do you think it will work. We've had people tell us at the beginning no way, and now as the hospital gets built and the value of land goes up, more and more people get excited about it and I think this is only going to build. Can you put a mixed use development on that property.

Bob Springmeyer

Is it a slam dunk? No. Is it something that I think we can make work? I wouldn't be here if I didn't think so.

Soren Simonsen

The other thing to keep in mind is that with the success of the hospital is that you've already built in some market and you're going to have lots of people working, that's the largest medical center in the intermountain states. You just built in a huge market. Many of the workers and going to want to live nearby. There's going to be a demand for medical office space for physician offices for medical services and that becomes an important part of mixed use. Working with those developers and getting some buy-in to the process of working with a mixed use kind of scenario will be challenging, but that's why you stick to your ground and you say we'll help you make this work, but you've got to work by the rules that we set out.

Pat Griffiths

A key word that you've used is collaborative planning and collaboration, what do you see as your role in public/private partnerships and public/public partnerships? We've got all these entities, we've got the Millcreek Township, we have the County, what about working with the Federal Transportation Agency, agencies like that, what do you see as your role?

Bob Springmeyer

I think we've all got a role, Brent's role is the visioning and marketing, my role is to represent you to make sure that one it works and two that you're not going to be embarrassed by a big article in paper saying it was a giveaway, but we make it work. I'm the dweeby number cruncher, remember the last time I was here we were working on business license fees, getting that fair balance there. Soren's job is organizing the space, he's the architect, but he's also a planner, Jay's job is the planning.

Jay Bollwinkel

One more thing, you know partnering is so important, from the beginning of the project, we've got to identify all the good partners and we've got to involve them from the very beginning. These developers in the back have to be involved in our project very closely and the city council, all the owners, we've got to identify EPA, all of those guys need to be identified and brought to the table first. If we get to the project and somebody says, hey what about me, and we forget that,

that's a big stumbling block. We need to get them with us at the beginning and get ownership and get the momentum rolling so they can see the vision. That's how we got UTA involved in moving the station in Clearfield, we got them involved early, we said this is our vision and we need a change, it was hard to start, but we wore them down.

Pat Griffiths

Its absolutely necessary that you have all the stakeholders at the table together and I've seen the value in using the charrette process in bringing everyone together.

Soren Simonsen

This is a better location than actually most of the stations. Most of the stations are on the highway and have huge parking demands because of that. I think you actually have a really great asset in that this I located right on 4500 South. You can develop a transit village, you do have some parking, but you don't have 500 cars that you're trying to work around with a gigantic parking lot. This actually in my opinion is one of the premier transit village locations on the entire line.

Robbie Robertson

Do you see the area between the TRAX and the Union Pacific line as a challenged area. We're hearing from lots of people that nobody wants to live there, none of the people saying this isn't a problem. We have people who develop areas and sell it for millions, what's your vision

Soren Simonsen

The proximity to the tracks is a design issue. Fortunately this is a quiet zone, you don't have to deal with whistles blowing but there are neighborhoods up and down this line, not so much in Murray, but there are many neighborhoods up and down the light rail line and even adjacent to the heavy rail line. I work in a neighborhood just north of Downtown Salt Lake City where people live in lofts even with whistles and stuff going off and that's a real annoyance and we're working on trying to solve some of those problems there to turn them into quiet zones. But there are ways to design in a way that you minimize the impact of being close to the rail stations. You can use landscaping, you can use setbacks with parking buffers. There's a number of ways that you can mitigate some of the challenges. Getting the transportation systems to work so that you have good access in between the two rail systems is also essential and we've talked about that a little bit already. If you can solve those two problems, there's no reason on earth that this can't be an immensely successful residential neighborhood.

Brent Herridge

Soren is designing a project right now that is on the tightest turn on the light rail as it goes into the city and he's working on the inside corner of where TRAX starts its turn into the city and I can hardly get a car through there and he's putting a whole project in there.

Pat

One word you used, Soren, is that we might have to do some fine tuning. Would you elaborate on that?

Soren Simonsen

Well there a number of development proposals that you've seen, we actually worked on one of them that I've been here and talked to you about. We're interested in not really just a development in a development that aren't connected, but looking at how all those things are well integrated. So there's some fine tuning of proposals that are on the table that may need actually pretty major redevelopment if those property owners continue to move forward. But there may be some fine tuning of ordinances, I think we need to review the ordinance very carefully, make sure that they're consistent with the design guidelines, that there aren't any conflicts in those documents, because we come upon those every now and then. I know I've had my share of them working in Salt Lake City and now working from where you're sitting and trying to solve some of those issues where those conflicts exist. By fine tuning it means just minor changes to make sure that there's internal consistency so there's no confusion for the developer, because the last thing you want to have is a developer having to bring back proposal after proposal because its not quite right because there's some internal conflicts and I'm not saying there are any, I 'm just saying we really need to look at those documents and make sure that they're internally consistent and perhaps do a little bit of visioning and showing what this will look like in built form and is this what you intended, maybe doing some illustrations and things like that to make sure you're all after the same thing.

Bob Springmeyer

I think Soren was saying that you've got an extraordinary ordinance or sets of ordinances, but I think part of the worry is always that you're going to try and control what's being developed through your ordinance. As we all know, ordinances are sledgehammers, they're not scalpels. It's awfully hard to anticipate. I think what we'd rather do is work with it up here and then bring it up through. If we're finding that what we think works and works for you and works for the developer may need need some tweaking because of one of your ordinances up here. I think that's what he was meaning by fine tuning. I don't think we want to be trying to focus on the ordinances as a way to try and direct and control the development here. I think we want to be working with it more up front and proactively.

Soren Simonsen

Let me give you an example of this. This has been a challenge with some of the TOD zoning in Salt Lake City. They recently adopted some zoning ordinances and yet this project that we've been working on called Angelina's corner on 200 West and 700 South, we actually had to jump through a lot hurdles to do what the city said was what they wanted. If we'd come in there and proposed a Walgreens, it would have sailed right through. So sometimes fine tuning means making it easy to do the things that you want and making it difficult to do the things you don't want. We tend to kind of regulate the upper limit with the zoning ordinances, we set maximum density and we set maximum parking and this and that, sometimes we also need to regulate a lower limit so that somebody doesn't come and say, you know what, this is too complicated, I'm just going to take the path of least resistance and just throw something on the ground, and you don't want that either. It may mean that you actually need to begin looking at regulation of minimum heights and densities, because there's a vision out there and you don't want something to come in that's not consistent with that, but is acceptable under the ordinance. So we want to

look and make sure that you are looking at both ends and making sure that it's that desirable middle ground that you're after that's what you're going to get.

Brent Herridge

I think you're starting to see what integration really means. It really is a lot of people looking at the same sector in a lot of different ways to assist you.

2. Consider selection of Redevelopment Agency Consultant

Jim Brass

Having listened to a lengthy presentation from everyone, I think this is probably going to require more discussion than what we have in the next twenty minutes, but I do believe we can talk about it and get started on it rather than put the whole thing off.

Krista Dunn

I think we had some really impressive presentations. At least three of them were very good as far as I could see and then I had one that I would say we could let go right now.

Jim Brass

I would agree with that.

Krista

The question is, are they the same?

Krista

How do you want to approach this Jim? Do you want to talk about each one, or do we want to say lets narrow it down to three or two or...

Jim Brass

We're ultimately going to have to narrow this down and we had a scoring system when this was handed out, I don't know that we want to really on that at this point. If you want to talk about it, let's start with who you would eliminate right off the bat. We have five.

Krista Dunn

I'd eliminate Edward Probyn James right off the bat.

Jim Brass

I would agree with that also. He's done projects, I don't know that he's got the experience. This is going to require a little more than one person I'm afraid.

Krista Dunn

On each one what I did was take notes based on what we decided our scoring system would be and then I listed things in positives and negatives for each one and on that one the negatives far outweighed the positives. Although cost was a really big positive on the top.

Jim Brass

But again I think as the Mayor just said and I'm going to hold him to his words, this can be a world class project and we're going to have to spend a little money to make it that way, I do not believe that we want to run scared from this project. I think we can get something really quite nice and not bankrupt the city. Myself I was very impressed with SPPRE's presentation. I was concerned that perhaps they wanted to reinvent a big chunk of the wheel that we've already spent a lot of time building and I was also concerned that they we're probably too big for us, that this project was not of a scope that fits even their average. The thing I did like about them was their comments about different types of financing, things that we hadn't heard about or thought about, whether they truly exist or not is something that needs to be investigated. But you know, if they do, why didn't anybody else tell us about this and that becomes my question. Federal TOD financing, is it there, is there money available, we can certainly look into it.

Krista Dunn

And then is their portion of it getting those funds or are they just there to tell us hey there's funds out there, go get them, because there's a big difference in those two approaches to it and my experience as a grant writer is there's not a whole lot of funds out there right now. I don't get funding in this direction, so I may be up in the night on that, but I do know that this current administration has cut grant funding enormously and if they know where it's at and they know how to get it, and they're willing to go after it, then that's a real plus in their favor.

Jim Brass

I agree with that, and the other strength was they were the only ones who looked at this entire process from our point of view, and never once mentioned how much money we'd have to pay the developers.

Mayor Dan Snarr

The only thing that scares me about this idea of all these pots of gold at the end of the rainbow is that you've got to do it on a pay per performance basis, in other words, you get the dough and we pay you. But if someone's charging you x number of dollars an hour which was a lot of money and at the end of the day they say well it wasn't available but it was at one time, or I couldn't get it, are we still paying, you might end up paying twenty or thirty thousand dollars.

Krista Dunn

That's not how grants work. You pay people based on what they get you, not what they went after.

Jim Brass

I don't disagree with that. Looking at strictly solely dollars, they were probably the most expensive of the lot. If they could truly come up with millions of dollars, it would be worth every penny.

Mayor Dan Snarr

I don't know the answers to this. But if they're saying that on top of the RDA money there are these other money's available, without the federal government or even the state stepping and saying, "you've created your financial machine, use it, and that's what you're getting because

these other money's are off the tables, because they're to be used for other situations where they could do an RDA." That's what concerns me.

Krista Dunn

To their credit they have developed some unbelievable projects and the likelihood is that they did come up with funding and some creative ways to finance those projects for those cities that were doing them. So to their credit, they probably do know how to do some of that stuff. The question is, is it still available? Are we too small of potatoes to be considered?"

Mayor Dan Snarr

And what type of political clout does it take? They were major cities.

Keith Snarr

They're dealing with smaller cities in major markets, cities on the edge, Carrollton Texas near Dallas, cities that are not far off the scale that we are.

Jim Brass

As a wise person once told me the only way you're guaranteed a no is if you don't ask. I think we've got enough questions that we probably ought to make a few phone calls and get some clarifications. But I would certainly keep them on the list.

Keith Snarr

I have called and checked them out with the people who are listed in their portfolio and had very positive responses from those that had worked with them.

Pat Griffiths

One thing that impressed me about this firm was their 17 step process and you can engage them to do any of those steps in the process depending on your situation. That's one thing that impressed me.

Robbie Robertson

Nobody else came up with that set way of making sure everything got done.

Pat Griffiths

There was a lot of finesse with that presentation.

Jim Brass

As I said, if I were going to narrow it down to three, they would be one of the three.

Pat Griffiths

The only downside is you look at the 400 dollar an hour for the principal, but there are other people in the firm whose hourly rate isn't that high too and hopefully they would engage the one that got the job done without breaking the bank

Krista Dunn

I would certainly have them in my top group as well.

Robbie Robertson
Agreed

Krista Dunn

The problem I'm having is the bottom one was easy to take out for me, I'm at four now and I don't have one that's a whole lot lower than the others. I was actually quite surprised by a couple of them.

Jim Brass

I was going to say jumping to EDT, when I went into this process, I had a completely different feeling than when I came out and I found them to be very impressive, they're very economical looking at the numbers, I think they have a great handle on the project.

Krista Dunn

I would actually put them at the top of my list right now.

Pat Griffiths

One positive I see is that we're utilizing local talent and many of these whom we've worked with effectively before.

Krista Dunn

My concern has been that I do believe that our vision of what a TOD is somewhat different than what theirs is and what they've developed. However, I think they are very familiar with and understand our vision.

Jim Brass

As you said, Soren is a unique position now in that he is a member of the Salt Lake City Council and sees the world from this side also. That made a big difference to me. I was not impressed in previous visits, and I really was today.

Robbie Robertson

I think one of the positives of the last group is that they're all local. We've talked all the way through this about partnership and they already have those relationships that could help us do that.

Pat Griffiths

I think networking is an important element in anything we do; that's a positive.

Krista Dunn

If you jump over to PSOMAS, a similar real positive has got to be their familiarity with land use law and what can be done here and there workings with a lot of communities,

Jim Brass

On that one the thing that stuck with me was the 2.5 million dollar condominiums on tracks that have 40 coal trains going past was a unique perspective. The one that also raised my eyebrows was the comment that we had an open piece of ground so we chucked a Wal-Mart on it. That one just kind of tweaked me a little bit.

Krista Dunn

The other thing you have to look at too was they chucked a Wal-Mart on there a whole lot of years before we started looking at this phenomenon that we're seeing now.

Jim Brass

Be it any big box store other than up on the state street frontage I'd hate to see that as a solution.

Pat Griffiths

That was a negative for me too on this. They'd assembled quite a team.

Krista Dunn

Anyone we choose has got to push our vision. I'm not too worried about that. If we were to say to them, that's not our vision, forget it, they'd be silly not to take that.

Pat Griffiths

That was one of the reasons I asked the fine tuning question and I appreciated the response to the fine tuning question. We're all neophytes in this; let's face it. Although we have a vision of what we want it to be sometimes what we see in our minds is not what will happen with what we've got on paper. You have to see how that is all going to work and I think we need to have flexibility and not put so much emphasis on the control.

Krista Dunn

But at the same time, I appreciated your question about fine tuning and I appreciated the answer that we got. One concern I'm always going to have is compromising the vision to get somebody there. I see this group as solidified on what our vision is, and yeah there might be some fine tuning that needs to be done, but in terms of compromising our vision, I'm not willing to go there and I don't want somebody in working for us that's trying to talk us into compromising our vision. That's my concern with one of the groups.

Jim Brass

The one thing I did like about EDT's answer is that it could be fine tuning to get the developer run along or fine tuning to protect what our vision is. It was a good answer so the question is PSOMAS or Wikstrom if you're going to narrow it to three. For me SPPRE and EDT stood out, the other two I kind of feel about the same on.

Pat Griffiths

Actually I appreciate the working relationship we've had with Karen Wikstrom and I thought her presentation was very good. I realize that she's been working with other groups and I don't know if a conflict is there. But she helped us to get where we are.

Robbie Robertson

Surely she knows our vision.

Pat Griffiths

She does know our vision, she helped us craft it.

Krista Dunn

But I have to tell you, that is the one group that I have the most concern about compromising the vision.

Pat Griffiths

And I'm not sure I share that concern. I think they'll do what we want them to.

Krista Dunn

Well hopefully they would all do that.

Pat Griffiths

That's something that is within our control. I guess over my years in public service I've had a lot of positive experiences with Wikstrom.

Jim Brass

So would we put Wikstrom as number three.

Krista Dunn

I'll just tell you, my big concern on SPPRE is can we afford them. To me, even though they gave a fabulous presentation, I would put them with PSOMAS and Wikstrom in my second level down in that there are too many questions about whether they are doable for us.

Pat Griffiths

My other concern is whenever we need to utilize them we also have to think about transportation costs.

Jim Brass

Yes, I don't disagree with that. Looking at their bid, it's their hourly cost plus any travel, housing, food, all of that. How much of that gets spent, versus what you can do over a webcast or an internet connection and I've done webcasts on a very regular basis and they do work really well. But if we were going to narrow this down today, if we were going to pick someone today, and I'm surprised by where I came to this, I'd pick EDT.

Krista Dunn

Actually me too. They're at the top of my list.

Jim Brass

And if we're comfortable with going that far, we have three minutes before we have to go into committee of the whole, I'd entertain a motion, otherwise we'd put this decision off to another meeting if you want to consider it longer.

Krista Dunn

I think we would want to set a meeting fairly quickly, because I think we want to get moving on this. I would actually feel comfortable now with making a motion.

Frank Nakamura

I think what you're wanting us to do is to identify who you want us to begin negotiations with. Obviously there are some terms and conditions that you may or not be satisfied with.

Krista Dunn

My motion then is to being negotiation with EDT

Robbie Robertson

I would second that

4 Ayes

0 Nays

Jeff Dredge abstained.

The meeting was adjourned.